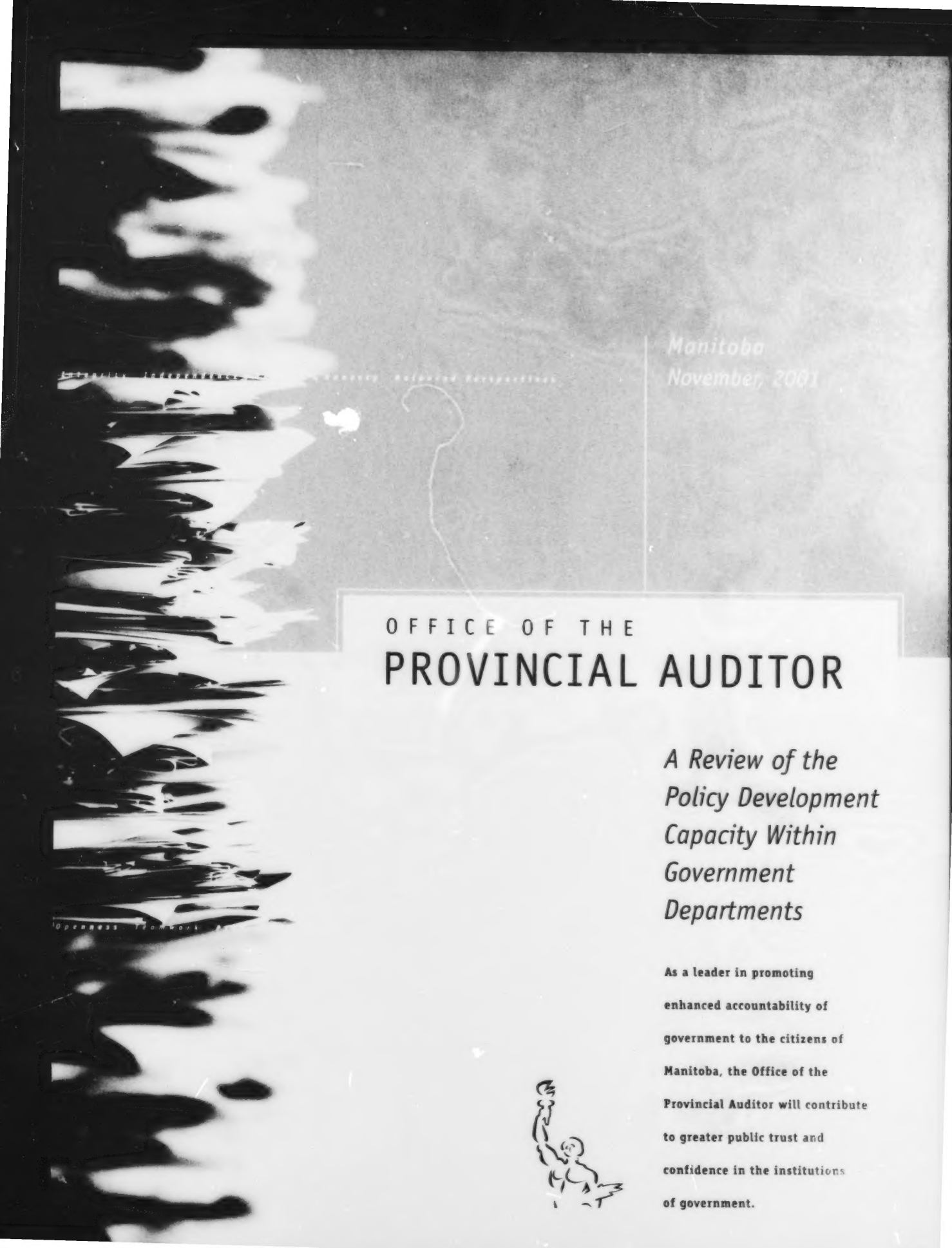

Manitoba
November, 2001

OFFICE OF THE
PROVINCIAL AUDITOR

A Review of the Policy Development Capacity Within Government Departments

As a leader in promoting enhanced accountability of government to the citizens of Manitoba, the Office of the Provincial Auditor will contribute to greater public trust and confidence in the institutions of government.

Vision

As a leader in promoting enhanced accountability of government to the citizens of Manitoba, the Office of the Provincial Auditor will contribute to greater public trust and confidence in the institutions of government.

Mission

To contribute to effective governance by the Manitoba Legislature, we provide the Members of the Legislative Assembly with independent assurance and advice on:

government accountability information;

compliance with legislative authorities;

and the operational performance of government.

Values

IN INTERPERSONAL RELATIONSHIPS

Respect ***Honesty***

Integrity ***Openness***

IN ACHIEVING OUR VISION AND MISSION

Teamwork

Independence

Balanced Perspectives

Professional Excellence

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Office of the Provincial Auditor
500 - 330 Portage Avenue
Winnipeg, Manitoba R3C 0C4

November 2001

The Honourable Peter M. Liba
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Sir:

I have the honour to submit herewith our November 2001 Report on A Review of the Policy Development Capacity Within Government Departments to be laid before Members of the Legislative Assembly in accordance with the provisions of Section 13 of The Provincial Auditor's Act.

Respectfully submitted,

Jon W. Singleton, CA•CISA
PROVINCIAL AUDITOR

A Review of the Policy Development Capacity Within Government Departments

- Process
- Organizational Context
- Product

CAPACITY

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Government policies affect the lives of the citizens of Manitoba in numerous ways. The development of these policies is a uniquely government activity. As such, the processes that governments and their administrators use to develop policies are of significant importance. In my view, effective processes are more likely to result in good policies and implementation frameworks than ineffective processes. For this reason, I decided to proceed with a review of the policy capacity in the Manitoba government.

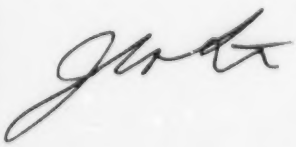
During our review, it was encouraging to see the enthusiasm with which elected and appointed officials approached the subject and their belief in the importance of getting the process "right". Our report highlights the current state of the policy development art in Manitoba and identifies a number of opportunities for improvement in the policy development processes.

A fundamental issue for discussion is, "How can the apparent enthusiasm noted above be translated into a clearly communicated commitment to excellence in the development of policy?"

I note, for example, that departments are not always able to provide the quality of advice they would like. Further, shortcomings in the policy documents themselves sometimes put elected officials at risk when making policy decisions. This occurs in cases where the documents do not meet some of the important criteria for supporting effective decision making. Other areas worthy of attention are the need for a systematic way to set out policy objectives and to conduct post-implementation evaluations.

We have not concluded whether resource constraints or skill limitations are primary contributors to the shortcomings noted, although both were cited as concerns by interviewees. I believe that this question can be best answered through further analysis and discussion among the key players.

I believe that this report represents an important starting point for a discussion of ways and means to improve policy development. I encourage officials in central government and departments to engage in a dialogue with a view to committing themselves to achieving excellence in policy development, an essential and quintessential aspect of government activity.



Jon W. Singleton, CA•CISA

REPORT OVERVIEW

INTRODUCTION

This report examines the policy development function within government departments along three dimensions:

1. the policy process,
2. the organizational context, and
3. the policy product.

Policy development is an output of government. It is a major functional activity of government. Virtually every department is engaged in policy development. Virtually every department has policy staff. Fifty percent of departments identified policy development as a "line of business" in their business plan, and 64% identified it as a "program area" in their business plan. Although a very small proportion of the civil service is engaged in policy work - roughly 2% - nevertheless:

> *Policy-making is central to what governments are about, and it is the policy development function of government that most distinguishes it from private sector organizations. In one form or other, policy-making engages a good deal of the time of ministers, parliamentarians and senior public servants. (Federal Task Force on Horizontal Issues, Managing Horizontal Policy Issues, December 1996, p. 2)*

Policy advice plays a key role in ensuring that government resources are used effectively and efficiently. Thus the impact of poor quality advice on government decision-making is potentially profound and costly. The stronger the policy capacity, the greater the potential for good decision-making and ultimately, good government.

Public policy development is all the more important in the context of the increasing complexity of policy issues and the use of third parties by government to deliver services (e.g., through non-profits, the private sector or regional authorities). Given the potential impact of policy development on the allocation of resources and the potential risks of poor policy development capability, we believe it is timely to undertake an assessment of the policy function in government.

PURPOSE, SCOPE AND APPROACH TO THE REVIEW

Purpose

The objectives of this review are:

1. to examine the capacity of government departments to develop and communicate proposed public policies in an effective manner; and
2. to obtain the perspective of Cabinet Ministers and the Policy Secretariat with respect to the current policy development capacity.

Apart from these two objectives, we hope through this project to engender general interest and awareness within government of the importance of policy development capacity and its implications for the operational performance of government. The various meetings we held with government officials were intended to stimulate discussion amongst them in reflecting on their approaches to policy development, its strengths and weaknesses and the question of whether there is adequate capacity within the civil service to effectively contribute to policy development. Through this report, we wish to foster a dialogue on the subject of policy development capacity and the three pronged model we have developed as a basis for reviewing this capacity.

Scope

In conducting our examination, the key question throughout was whether the policy process, organizational context and policy product (policy documents) met our model (the criteria we developed on effective policy development capacity).

Examining policy development capacity - which is the competencies, manpower and right environment to foster optimal use of capabilities - is quite different than examining the policies themselves. It is important to clarify at the outset that our review examines capacity; it does not in any way assess or question the merit of government policies. The latter is outside of our mandate and not an appropriate area of investigation for a Legislative Auditor.

Our review is limited to policy staff within government departments and their capacity to develop public policy. We recognize that the development of public policy is a dynamic that involves a whole host of players not the least of which is the Premier, Cabinet, Treasury Board, and individual Ministers. As well, the various boards or committees appointed by government such as the Community Economic Development Committee, and consultations with various stakeholders influence or shape public policy development. Nevertheless, it is departmental staff who are generally expected to undertake the research, analysis, data gathering, identification of pros and cons of various options, and so forth, in response to a policy direction that may have emanated from government, one of its boards or committees.

Approach

The starting point for this project was to develop a set of criteria for assessing whether there is effective policy development capacity within government departments. These criteria were developed based on a literature review and consultations with various individuals/organizations involved in the policy field or who have done work in the area of effective policy development (see Sources of Information at the end of the report). Our criteria fall under three groupings - process, organizational context and product (policy documents) and together they form our proposed model of effective policy development capacity. Details on the criteria and the model are presented in subsequent parts of this report.

The criteria were the foundation for the development of a set of questions that we put to government officials during a series of interviews we held with them. Cabinet Ministers, the Policy Secretariat and senior management in departments, were interviewed between April 2001 and July 2001. As well, the criteria are the basis of the assessment we undertook of policy documents from government departments.

OVERALL ASSESSMENT AND KEY FINDINGS

Based on the interviews we conducted, departments generally demonstrated awareness and understanding of the key ingredients of an effective policy development process and the type of organizational environment that is conducive to the development of public policy. In particular, senior management seemed keenly aware of the importance of: defining the problem/issue, and consultations with stakeholders and clients early on in the process. They highlighted the importance of policy staff having sufficient time to: conduct research, gather the facts, have access to good data, foster on-going linkages with their counterparts in other jurisdictions and various external contacts in the community including stakeholders and client groups.

Nevertheless, our review of policy development capacity within government departments reveals that there are weaknesses that need to be addressed. **Figure 1** summarizes our key findings in relation to the criteria we used to conduct this review.

Senior management in government departments is well aware of the relevance and importance of strong policy development capacity. There is no dispute among senior management that if government is to make well-informed decisions on matters of public policy it requires high quality policy advice. Due to a variety of reasons discussed in this report, while departments endeavor to provide high quality advice, they are not always able to achieve this objective.

A government-wide response is called for in addressing those areas that we recommend need strengthening (see Implications for Government in the Conclusions). The risks associated with undervaluing the policy function are also discussed in the Conclusions section of this report. Central government needs to spearhead the process. Leaving each department to respond individually to the findings and recommendations of this report will result in unevenness and inconsistencies between departments. Expectations need to be communicated from the centre with respect to the policy process and product as well

as how these expectations can be implemented either with existing or additional resources. Strengthening the policy development capacity is critical because the stronger the policy capacity, the greater the potential for good decision-making and ultimately, good government.

Figure 1

Key Findings from the Review of Policy Development Capacity

Policy Process Criteria	Our Findings
ISSUE IDENTIFICATION • Defining the problem/issue.	• Departments indicated that one of their first steps is to gain clarity on the problem/issue.
ISSUE ANALYSIS • Undertaking quantitative research into the problem/issue to understand expected trends and influencing factors.	• Limited reliance on quantitative analysis of the problem/issue.
• Undertaking qualitative research into the problem/issue to understand expected trends and influencing factors.	• Generally, qualitative analysis does not appear to be undertaken.
• Reviewing how other jurisdictions may have addressed this type of problem/issue.	• Almost all departments examine how other jurisdictions are dealing with similar problem/issue.
GENERATING SOLUTIONS • Developing a conceptual framework of principles and assumptions that provide context for generating options.	• Departments seem to rely almost exclusively on underlying assumptions to guide the selection of options. The identification of principles does not appear to be part of the starting point that guides the selection of policy options.
• Being clear on desired outcomes/goals that a policy should achieve.	• With a few exceptions departments do not tend to identify outcomes/goals of a policy.
• Evaluating policy options according to a defined set of pros and cons/criteria.	• Departments identified the criteria they typically use to evaluate options. These appear to be reasonably comprehensive. However, policy documents did not demonstrate a systematic or rigorous application of those criteria in assessing policy options.
CONSULTATION Seeking input at strategic points from: • Minister's Office • Relevant Departments • Central Government • Client/Stakeholder Groups • Service Delivery Agencies • Relevant External Organizations (e.g., research institutions/policy groups)	• Departments gave many examples of whom they consult in the policy development process citing clients/stakeholders, other departments/government crowns or agencies and other jurisdictions as the primary source of consultations. • Consultation with central government (e.g., Treasury Board, Policy Secretariat) and professional associations/research institutions were cited less frequently as sources of consultation.
PERFORMANCE MONITORING • Measuring the performance of a policy to determine if intended results are being achieved.	• Virtually all Departments do not consider it necessary to institute a systematic approach to policy evaluation. Departments argue that stakeholder/client feedback or complaints as well as media coverage are a way of flagging which policies should be reviewed or modified.

Figure 1 (cont'd.)

Key Findings from the Review of Policy Development Capacity

Organizational Criteria	Our Findings
LEADERSHIP DIRECTION AND SUPPORT	
• Senior management demonstrates leadership to achieve excellence in policy development through: - process management; - product management; - support to networking; - provision of resources to staff; - support the rotation of policy staff between departments.	• Senior management provided examples that illustrate that they are generally managing the policy process, supporting networking and providing staff with access to the tools necessary for policy work (databases, IT, professional development, etc.). • Only one-third of senior management in departments mentioned their role in product management. • Mobility of policy staff between departments has been minimal. Over the last three years approximately 1.5% of policy staff took a secondment to a policy position in another department and the same percentage transferred to a policy position in another department.
HUMAN RESOURCES	
• Staff possess the appropriate competencies in public policy development.	• 60% of senior management expressed the view that there is room for improving competencies in certain areas - most notably in analytical/critical thinking skills and building up expertise in certain fields of knowledge.
	• 60% of departments noted that there was a shortage of policy staff or not enough time for policy staff to meet the policy demands on a timely and thorough basis.
INFRASTRUCTURE SUPPORT	
• Policy staff have access to appropriate resources (e.g., information technology, databases, purchase of research or consultant studies).	• Close to one-third of departments said there are data gaps or R&D gaps. They would like to provide staff with access to more data and/or R&D. The biggest constraints being either time and money to collect and analyze the data, purchase the data or hire consultants to prepare background research reports.

Figure 1 (cont'd.)

Key Findings from the Review of Policy Development Capacity

Policy Process Criteria	Our Findings
PURPOSE ● Explains reasons for a policy paper. ● Explains nature and scope of problem/issue for which policy response is being sought. ● Explains desired outcomes that the selected policy should achieve.	● 68% of policy documents reviewed either "fully met" or "partially met" the criterion of Purpose.
EVIDENCE ● Provides data/facts to substantiate and support the various arguments and recommendations put forth.	● Over 50% of documents either "substantially did not meet" or "did not meet" the criterion of Evidence.
OPTIONS ● Presents a range of policy options/ solutions. ● Provides an evaluation of each policy option based on a set of criteria/pros and cons.	● All documents either "substantially did not meet" or "did not meet" this criterion.
LOGIC ● Contains a logical flow in terms of the presentation of the various arguments and recommendations put forth.	● 54% of documents either "fully met" or "partially met" the criterion of Logic.
CONSULTATION ● Identifies who has been consulted in the process of developing and evaluating policy options. ● Identifies any objections/concerns raised by those who were consulted.	● 59% of documents either "fully met" or "partially met" this criterion. However, the emphasis in the policy papers is on identifying who was consulted versus what concerns they raised.
PRESENTATION ● Presents the content clearly and concisely.	● 50% of documents "partially met" the criterion and the other 50% "substantially did not" meet the criterion of Presentation.

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REASON FOR THE REVIEW

Policy advice plays a key role in ensuring that government resources are used effectively and efficiently. Thus the impact of poor quality advice on government decision-making is potentially profound and costly. The stronger the policy capacity, the greater the potential for good decision-making and ultimately, good government.

Public policy development is important for two main reasons:

- the increasing complexity of policy issues; and
- the use of third parties by government to deliver services (e.g., through non-profits, the private sector or regional authorities).

Complexity of Policy Issues

The increasing complexity of policy issues results in part from new information technologies, the changing fabric and expectations of society, as well as increasing globalization and inter-jurisdictional agreements (which potentially impacts on the regulatory framework, and the levels of government and non-government organizations involved in a particular sphere). Complexity of issues means that many policy issues are interdependent, cutting across more than one department. For instance developing public policies to address issues such as crime prevention, environmental protection, equal opportunities for persons with disabilities or rural development, to name but a few, requires collaboration by several departments and even consultations with external agencies.

Third Party Delivery of Services

Public policy development becomes even more essential when governments use third parties to deliver services (e.g., through non-profits, the private sector or regional authorities). In this context, it is crucial that there be a strong policy development capacity in order to set the direction, expectations, and standards that third parties must meet in delivering services that government funds in whole or in part.

Given the potential impact of policy development on the allocation of resources and the potential risks of poor policy development capacity, we believe it is timely to undertake an assessment of the policy function in government.

PURPOSE, SCOPE AND APPROACH TO THE REVIEW

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Another point of clarification regarding the scope of this review relates to the fact that our focus is on public policy as distinct from internal administrative policy. The latter pertains to the framework that government puts in place regarding the procedures that employees are to follow in conducting their work. For example, the administrative policies that govern tendering of contracts or the hiring of consultants. By contrast,

public policies are those plans, positions and guidelines of government that influence decisions affecting the public. Examples of public policy are: supporting sustainable economic development or enhancing access to government services by persons with disabilities, and so forth.

Our review is limited to policy staff within government departments and their capacity to develop public policy. We recognize that the development of public policy is a dynamic that involves a whole host of players not the least of which is the Premier, Cabinet, Treasury Board, and individual Ministers. As well, the various boards or committees appointed by government such as the Community Economic Development Committee, and consultations with various stakeholders influence or shape public policy development. Nevertheless, it is departmental staff who are generally expected to undertake the research, analysis, data gathering, identification of pros and cons of various options, etc. in response to a policy direction that may have emanated from government, one of its boards or committees.

Approach

The starting point for this project was to develop a set of criteria for assessing whether there is effective policy development capacity within government departments. The criteria were developed based on a literature review and consultations with various individuals and organizations involved in the field of policy development (see Sources of Information at the end of the report). Our criteria fall under three groupings - process, organizational context and product (policy documents) and together they form our proposed model of effective policy development capacity. Details on the criteria and the model are presented in subsequent parts of this report.

We wanted to obtain management's views on our criteria of policy development capacity and the relative importance of each criterion in the model. To do this we forwarded to each department a copy of the project criteria with a request that they rank them and identify any other criteria that should be added to our list. In order to minimize potential bias during our interviews, the criteria were shared for purposes of ranking after completing each departmental interview. Management's ranking of the importance of our criteria is presented and discussed in this report.

The criteria were the foundation for the development of a set of questions that we put to government officials during a series of interviews we held with them. Cabinet Ministers, the Policy Secretariat and senior management in departments, were interviewed between April 2001 and July 2001. Details on the interviews are contained under subsequent parts of this report. As well, the criteria are the basis of an assessment we undertook of policy documents from government departments.

ORGANIZATION OF THE REPORT

The analysis required to develop findings, conclusions and recommendations relative to the two stated objectives of this review is organized into five parts:

- **Part 1** deals with the first two dimensions of capacity - policy process and organizational context - and presents the criteria that relate to them, management's ranking of those criteria and our findings based on interviews with senior management in departments.

- **Part 2** presents the views of Cabinet Ministers and the Policy Secretariat with respect to the factors that contribute to excellence in the development of public policy. Their views are compared to the opinions of management on this subject. As well, we present the perceptions of Ministers/Policy Secretariat and senior management in departments on the areas that need strengthening in relation to the policy development process and the organizational context within which policy staff function.
- **Part 3** deals with the policy product. We begin by presenting the criteria related to a policy product and the methodology that was used to assess policy documents we received from departments. Management's ranking of the criteria is presented and in the final section we present our assessment of the policy documents we received.
- **Part 4** presents the views of Cabinet Ministers/Policy Secretariat with respect to their expectations of a policy product and the areas that need improving in policy documents. Their observations on areas that need strengthening are compared to the assessment of policy documents.
- **Part 5** contains conclusions, discusses the implications of our findings for government and identifies the recommended areas that we believe need strengthening.

PART 1: ASSESSMENT OF DEPARTMENTAL POLICY DEVELOPMENT

APPROACH

INTRODUCTION

As part of the policy capacity review, we examined the process that departments follow in developing public policy. As well, we examined the organizational context within departments in relation to the development of public policy. We developed a definition of "public policy", "policy process", and "organizational context" as well as a set of criteria on an effective policy development process and organizational context (see next section). The definitions and criteria were the basis for developing a set of interview questions to pose to senior management in each department.

Interviews were conducted between April 2001 and July 2001 in each department. In total 72 persons participated in the interviews. The interviews in each department were conducted collectively with: the deputy minister, assistant deputy minister/executive director responsible for policy development, director of policy development and any other staff directly involved in policy development that the deputy minister invited to participate. All departments agreed to be interviewed.

Those who participated in the interviews received the project criteria and were asked to rank their importance and to add any others that they believed should form part of the criteria we developed. Participants were asked to forward a single departmental response.

Departmental ranking of the criteria are presented after the presentation of the definitions and the criteria of effective policy development capacity. The final section of this part contains the findings from the interviews.

DEFINITION OF PUBLIC POLICY

For purposes of this project, public policy refers to those plans, positions and guidelines of government which influence decisions by government that affect the public (e.g., policies in support of sustainable economic development or policies to enhance access to government services by persons with disabilities). Public policy is distinguished from internal administrative policy. The latter pertains to the framework that government puts in place regarding the procedures that employees are to follow in conducting their work (e.g., the administrative policies that govern tendering of contracts or the hiring of consultants).

DEFINITION OF POLICY DEVELOPMENT PROCESS

The process of developing public policy is an activity that generally involves research, analysis, consultation and synthesis of information to produce recommendations. It should involve an evaluation of options against a set of criteria used to assess each option.

DEFINITION OF ORGANIZATIONAL CONTEXT

In our framework, organizational context is considered in terms of three areas: leadership direction and support, human resources, and infrastructure support. Each of these factors is interrelated and together they form the foundation of an organization's capacity to perform. The three areas are explained below in the section that presents the criteria.

POLICY DEVELOPMENT ASSESSMENT CRITERIA

Five assessment criteria were used to evaluate the effectiveness of the policy process within departments and three criteria were used to assess the organizational context. Each criterion is described below. The criteria were developed based on a review of the literature on this subject.

Criteria Pertaining To The Policy Process

The criteria of an effective policy development process described below are depicted in **Figure 2**. As **Figure 2** illustrates, the criteria are essentially the steps in a policy development process. These steps are intended to form a dynamic and interactive process. Sometimes the steps in the process occur simultaneously. Thus the development of public policy does not take place in a linear fashion, with each step being completed before proceeding to the next. For instance, consultations may take place with various interest groups to refine the understanding of the issues and desired outcomes and subsequently, consultations may take place again in relation to potential options.

Criterion 1: Issue Identification

The policy process should begin by defining the problem and the issues that are to be the subject of a policy development exercise.

Criterion 2: Issue Analysis

The policy process should include quantitative and qualitative analysis to understand the various facets of the problem/issues and their influencing factors. Identification of expected trends in regards to the problem/issues, and a review of how other jurisdictions may have addressed similar circumstances all form part of issue analysis.

Criterion 3: Generating Solutions

The policy process should include research to identify options for dealing with the problem/issues. Development of potential solutions should be undertaken within the context of a set of guiding principles (e.g., citizens have access to safe and affordable housing), underlying assumptions (e.g., budgetary restrictions), and objectives and/or desired outcomes (the achievement of certain results). Each potential option should be evaluated against a common set of criteria (e.g., financial impact, client/stakeholder impact, the achievement of government objectives).

Criteria 4: Consultations

During the policy development process, input is sought at strategic points from various interests including: the Minister responsible, central government, clients/stakeholders, external organizations (e.g., research institutions/policy groups). Where relevant to do so, other departments, other jurisdictions and service delivery agencies would also be consulted.

Features of An Effective Policy Development Process

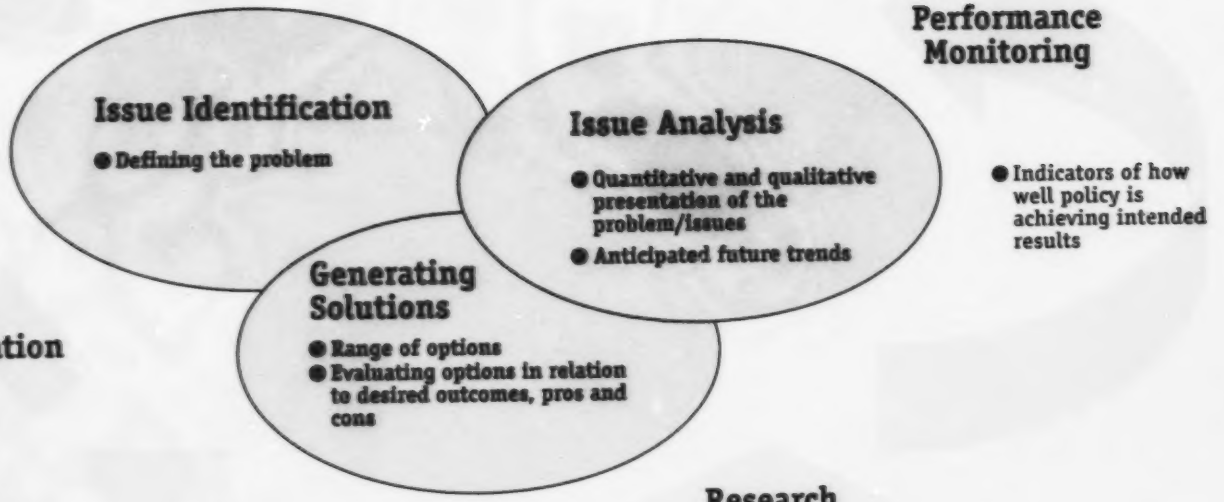


Figure 2

Figure 3

Features of an Effective Organizational Context

Human Resources
● Staff possess the right mix of skills for policy development - research, analysis, evaluation, communication, coordination, consultation, measuring performance of a policy, sound judgement.
Leadership Direction and Support
● Process management
● Product management
● Support networking
● Provide resources to staff
● Support rotation of policy staff between departments
Infrastructure Support
● Staff work in a conducive policy environment - access to the right mix of resources to do policy work: databases, IT, research.

Criterion 5: Performance Monitoring

The policy process should not end with the selection of the policies to be implemented. The process should include a monitoring system to determine whether the policy is achieving intended results. Indicators to monitor and evaluate the impact of the chosen policies need to be identified as part of the policy development process and the manner of tracking and frequency of reporting on the impact of policies needs to be put in place. Performance monitoring allows for policy refinements or policy adjustment to be made.

Criteria Pertaining To Organizational Context

The features of an effective organizational context are described below and presented in **Figure 3.** Organizational context can be a key enabling or limiting factor on the ability of an organization to develop public policy.

Criterion 6: Leadership Direction and Support

Senior management (e.g., deputy ministers, assistant deputy ministers responsible for policy development and directors of policy) provides an environment conducive to fostering excellence in policy development. A conducive environment is one in which senior management communicates that policy development is an important endeavor and demonstrates this through leadership direction and support. Ways in which leadership direction and support are demonstrated can include:

- **Process management** by establishing the parameters of the policy work, communicating governmental and ministerial objectives and priorities; having an effective decision-making process; and communication within and between the departments;
- **Product management** through quality control;
- **Support networking** with external organizations (e.g., think tanks, academics, policy organizations, stakeholder organizations);
- **Resources available** for policy staff (e.g., opportunities to expand knowledge and be current in the policy field; opportunities to enhance skills; and appropriate infrastructure);
- **Support rotation** of policy staff between departments to allow for new perspectives and the regeneration of policy staff.

Criterion 7: Human Resources

Staff possess the competencies to develop public policy and to produce a policy document (i.e., skills in research, analysis, evaluation, communication, coordination, consultations, measuring performance of a policy, and sound judgement).

Criterion 8: Infrastructure Support

Policy developers should have access to the right mix of tools and information resources in order to effectively do their work (e.g., appropriate information technology software programs, databases and other research information and the ability to purchase research or contract for consultant studies when necessary).

Figure 4 below summarizes the policy development capacity criteria used in this review.

Figure 4

Model of Effective Policy Development Capacity

Policy Process Criteria

ISSUE IDENTIFICATION

- Defining the problem/issue.

ISSUE ANALYSIS

- Undertaking quantitative research into the problem/issue to understand expected trends and influencing factors.
- Undertaking qualitative research into the problem/issue to understand expected trends and influencing factors.
- Reviewing how other jurisdictions may have addressed this type of problem/issue.

GENERATING SOLUTIONS

- Developing a conceptual framework of principles and assumptions that provide context for generating options.
- Being clear on desired outcomes/goals that a policy should achieve.
- Evaluating policy options according to a defined set of pros and cons/criteria.

CONSULTATION

Seeking input at strategic points from:

- Minister's Office.
- Relevant Departments.
- Central Government.
- Clients/Stakeholders
- Service Delivery Agencies.
- Relevant External Organizations (e.g., research institutions/policy groups).

PERFORMANCE MONITORING

- Measuring the performance of a policy to determine if intended results are being achieved.

Organizational Criteria

LEADERSHIP DIRECTION AND SUPPORT

- Senior management demonstrates leadership to achieve excellence in policy development.

HUMAN RESOURCES

- Staff possess the appropriate competencies in public policy development.

INFRASTRUCTURE SUPPORT

- Policy staff have access to appropriate resources (e.g., information technology, databases, purchase of research or consultant studies).

Policy Document Criteria[1]

PURPOSE

- Explains reasons for a policy paper.
- Explains nature and scope of problem/issue for which policy response is being sought.
- Explains desired outcomes that the selected policy should achieve.

EVIDENCE

- Provides data/facts to substantiate and support the various arguments and recommendations put forth.

OPTIONS

- Presents a range of policy options/ solutions.
- Provides an evaluation of each policy option based on a set of criteria/pros and cons.

LOGIC

- Contains a logical flow in terms of the presentation of the various arguments and recommendations put forth.

CONSULTATION

- Identifies who has been consulted in the process of developing and evaluating policy options.
- Identifies feedback by those who were consulted.

PRESENTATION

- Presents the content clearly and concisely.

1 More detailed explanations of the policy document criteria are presented in Part 3.

MANAGEMENT'S RANKING OF THE CRITERIA OF EFFECTIVE POLICY DEVELOPMENT

POLICY PROCESS CRITERIA

Figure 5 presents the response from senior management in each department with respect to the importance of each of the features of effective policy development. All departments responded to the survey.

As **Figure 5** shows, there is consensus among senior management with respect to the features we have selected as criteria by which to assess the effectiveness of the policy development process. In virtually all cases, over 85% of departments ranked the criteria as "very important" or "important" (**Figure 5**). None of the departments ranked any of the features of a policy document as "unimportant" or "very unimportant".

Three criteria were ranked as "very important" or "important" by over 100% of respondents. These are:

- **Issue Identification**
  - Defining the problem
- **Generating Solutions**
  - Being clear on the desired outcomes that a policy should achieve
- **Consultation**
  - Seeking input from the Minister's Office

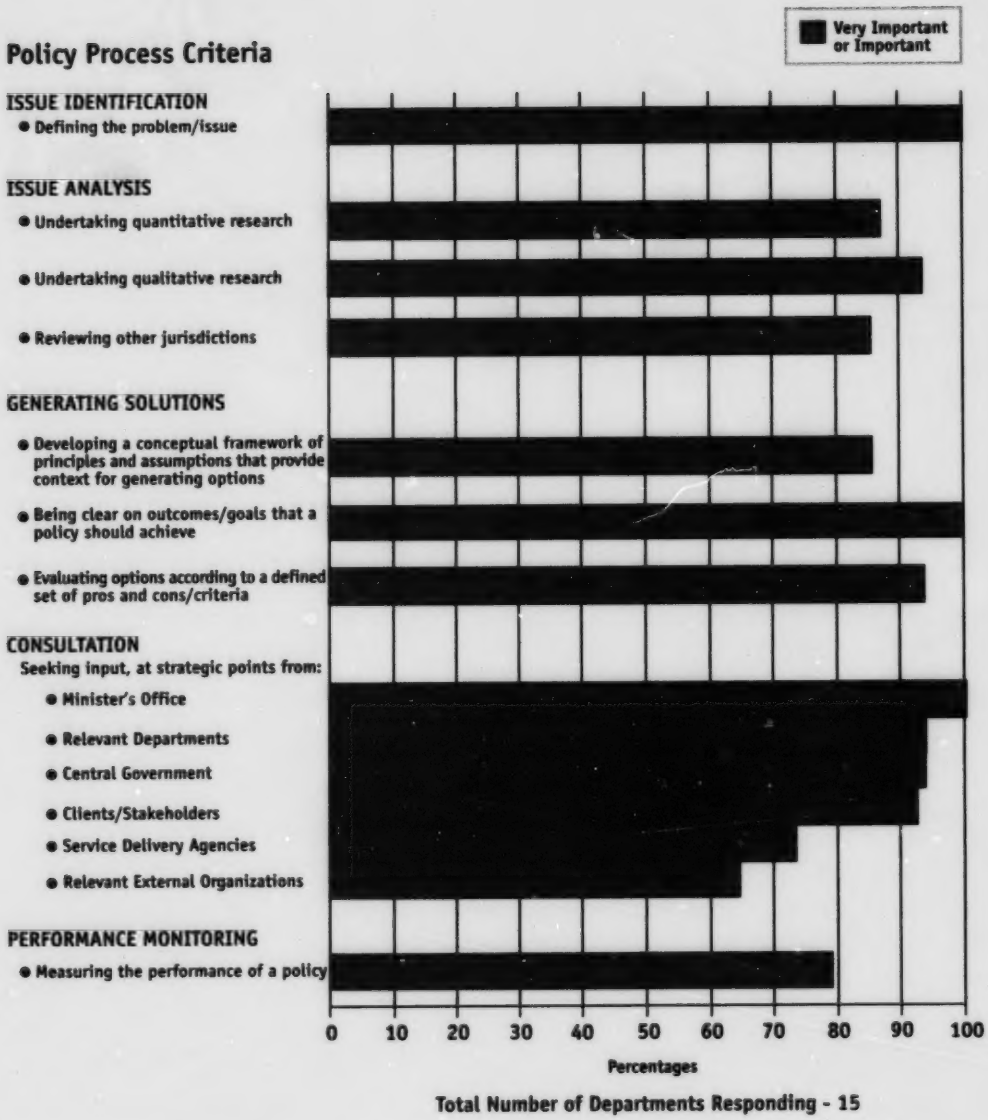
For a detailed breakdown of the responses to the criteria, refer to **Figure 6**.

Apart from ranking the importance of the criteria of an effective policy process, senior management was asked to identify any other features that they believe should be added to our list. One new criterion was proposed for inclusion that being, communicating policy to clients/stakeholders.[1] Communicating policy to clients/stakeholders is an activity that takes place post policy development (e.g., after policy direction has been decided upon). Thus this element is not part of the policy development process. It should be noted that any communication with clients/stakeholders about potential policy options or possible policy directions is a feature that relates to consultations. Our criteria on policy development process includes consultations.

[1] In a few cases criteria were added under "other" that relate to or are another way of expressing our list of criteria. These are not captured here as they are included in the criteria of our model.

Figure 5

Departments' Rating of Importance of Criteria of an Effective Process


Very Important or Important
Policy Process Criteria
ISSUE IDENTIFICATION
Defining the problem/issue
ISSUE ANALYSIS
Undertaking quantitative research
Undertaking qualitative research
Reviewing other jurisdictions
GENERATING SOLUTIONS
Developing a conceptual framework of principles and assumptions that provide context for generating options
Being clear on outcomes/goals that a policy should achieve
Evaluating options according to a defined set of pros and cons/criteria
CONSULTATION
Seeking input, at strategic points from:
Minister's Office
Relevant Departments
Central Government
Clients/Stakeholders
Service Delivery Agencies
Relevant External Organizations
PERFORMANCE MONITORING
Measuring the performance of a policy
0 10 20 30 40 50 60 70 80 90 100
Percentages

Total Number of Departments Responding - 15

Figure 6

Breakdown of Departments' Rating of Policy Process Criteria

Policy Process Criteria	Very Important	Important	Neutral	Unimportant	Very Unimportant
ISSUE IDENTIFICATION					
• Defining the problem/issue.	87%	13%	0%	0%	0%
ISSUE ANALYSIS					
• Undertaking quantitative research into the problem/issue to understand expected trends and influencing factors.	7%	80%	13%	0%	0%
• Undertaking qualitative research into the problem/issue to understand expected trends and influencing fctors.	26%	67%	7%	0%	0%
• Reviewing how other jurisdictions may have addressed this type of problem/issue.	33%	53%	13%	0%	0%
GENERATING SOLUTIONS					
• Developing a conceptual framework of principles and assumptions that provide context for generating options.	13%	73%	13%	0%	0%
• Being clear on desired outcomes/goals that a policy should achieve.	87%	13%	0%	0%	0%
• Evaluating policy options according to a defined set of pros and cons/criteria.	20%	73%	7%	0%	0%
CONSULTATION					
Seeking input at strategic points from:					
• Minister's Office.	80%	20%	0%	0%	0%
• Relevant Departments.	33%	60%	7%	0%	0%
• Central Government.	26%	67%	7%	0%	0%
• Clients/Stakeholders	46%	46%	7%	0%	0%
• Service Delivery Agencies.	20%	53%	26%	0%	0%
• Relevant External Organizations (e.g., research institutions/policy groups).	14%	50%	36%	0%	0%
PERFORMANCE MONITORING					
• Measuring the performance of a policy to determine if intended results are being achieved.	36%	43%	21%	0%	0%

Note: Percentages may not equal 100% due to rounding.

ORGANIZATIONAL CONTEXT CRITERIA

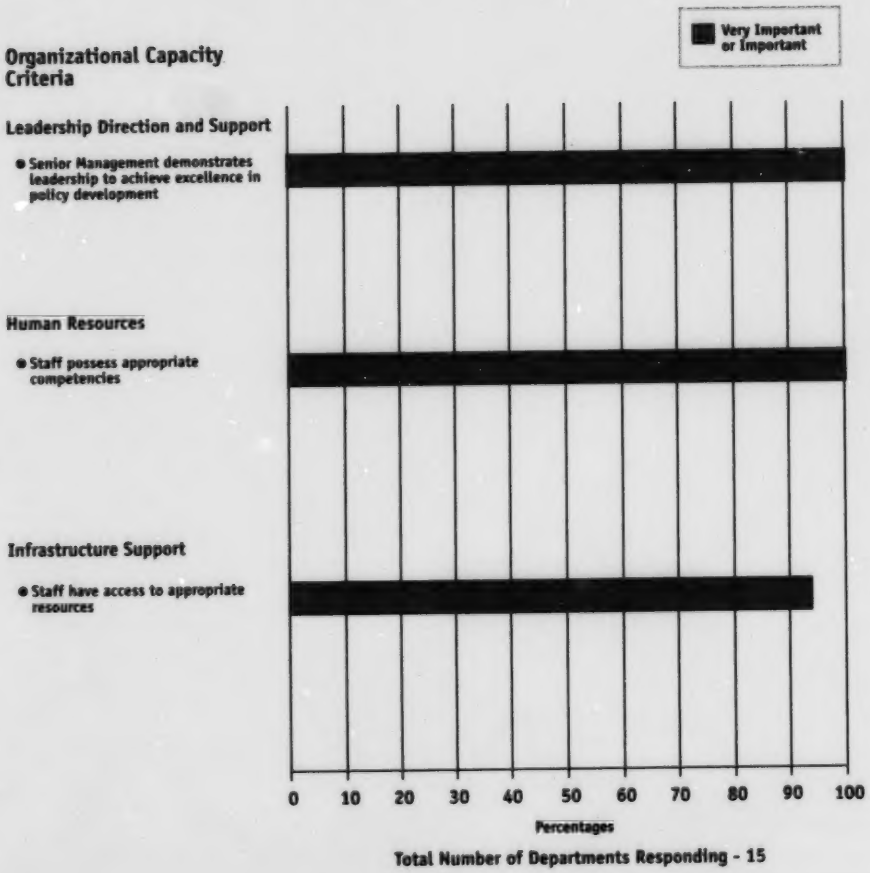
Figure 7 presents the response from senior management in each department with respect to the importance of each of the features of an effective organizational context. All departments responded to the survey.

As **Figure 7** shows, there is consensus among senior management with respect to the features we have selected as criteria by which to assess the organizational context in relation to policy development.

Two of the three criteria pertaining to organizational capacity, Leadership Direction and Support, and Human Resources, were ranked as "very important" or "important" by 100% of departments and the third criterion was ranked as "very important" or "important" by 93% of respondents **(Figure 7)**. None of the departments ranked any of the features of a policy document as "unimportant" or "very unimportant".

Figure 7

Departments' Rating of Importance of Organizational Capacity Criteria



Total Number of Departments Responding - 15

Figure 8 provides a detailed breakdown of the responses to the criteria.

Figure 8

Breakdown of Departments' Rating of Organizational Capacity Criteria

Organizational Capacity Criteria	Very Important	Important	Neutral	Unimportant	Very Unimportant
LEADERSHIP DIRECTION AND SUPPORT					
• Senior management demonstrates leadership to achieve excellence in policy development.	53%	47%	0%	0%	0%
HUMAN RESOURCES					
• Staff possess the appropriate competencies in public policy development.	60%	40%	0%	0%	0%
INFRASTRUCTURE SUPPORT					
• Policy staff have access to appropriate resources (e.g., information technology, databases, purchase of research or consultant studies).	7%	86%	7%	0%	0%

Note: Percentages may not equal 100% due to rounding.

Apart from ranking the importance of the criteria of effective organizational capacity, senior management was asked to identify any other features that they believe should be added to our list.[2] Two new features were proposed: communication within and between departments; and an effective and efficient policy decision-making process. These features are part of the criterion on Leadership Direction and Support.

[2] In a few cases criteria were added under "other" that relate to or are another way of expressing our list of criteria. These are not captured here as they are included in the criteria of our model.

FINDINGS FROM THE INTERVIEWS WITH SENIOR MANAGEMENT

[3] Note that the criteria on the policy product that also form part of the model of policy capacity are discussed in Part 3 in relation to the assessment of departmental policy documents.

In this section of the report we present the findings from the 72 interviews conducted with senior management representatives from each department. The findings are presented in relation to each criterion on policy process and organizational context that forms part of our policy capacity model (see **Figure 4**). As well, interview findings are compared to the responses we received from management's ranking of the importance of each criterion in our model.[3]

FINDINGS PERTAINING TO POLICY PROCESS CRITERIA

Criterion 1: Issue Identification

When asked about their typical starting point in the policy development process; virtually all departments identified, among other things, defining the problem as one of the first steps in their process. This was described in a variety of ways such as:

- Determining the scope and framework for the policy examination work to be undertaken;
- Developing a clear understanding of the current situation;
- Making sure we understand the problem;
- Conducting an environmental scan to find out as much as possible on the issues;
- Refining our understanding of the problem.

Comparison with Ranking of Criterion

The interview responses are consistent with departmental ranking of the relative importance of this criterion - 100% consider issue identification to be "very important" or "important" (**Figure 6**).

Criterion 2: Issue Analysis

When asked about the activities they typically engage in when analyzing a problem/ issue, virtually all departments indicated that they examine how other jurisdictions handle a similar problem/issue and the suitability of that approach to the Manitoba context. Departments see investigating policy responses in other jurisdictions as a way of identifying best practices.

In discussing issue analysis, departments focussed heavily on their analysis of options including efforts to quantify impacts of options. However, in only three departmental interviews did interviewees specifically indicate that they undertook quantitative analysis on the nature and scope of the problem/issues. None of the departments commented on qualitative analytical work (e.g., situating the problem within a broader context of societal trends, sectoral trends or how research institutions/policy groups portray the problem and its causes, anecdotal information from clients/stakeholders, etc.).

Comparison with Ranking of Criterion

Although the Issue Analysis criterion rated very high scores in terms of relative importance (**Figure 6**) during the interviews, with the exception of researching what other jurisdictions do, the importance of quantitative and qualitative analysis did not come across as significant during the interviews.

Criterion 3: Generating Solutions

When asked whether they typically developed policy options and if so what guided the process of selecting options for consideration, departments indicated that they "generally", "almost always" or "always" develop policy options. Departments generally indicated that they evaluate policy options. Among the most typical parameters that guide policy staff in the selection of options to evaluate are:

- The fit with governmental and ministerial direction, priorities and preferences;
- The legislative/constitutional framework;
- Federal/Provincial Agreements;
- Client/stakeholder reactions and preferences;
- Whether other jurisdictions have tried or tested a particular policy approach.

Thus the typical parameters that guide the selection of options are essentially underlying assumptions (e.g., being guided by what other jurisdictions are doing; being guided by government's priorities; acting within the limits of existing agreements). The interviews suggest that not much if any attention is given to developing key principles (e.g., citizens have a right to universal health care), and outcomes as a basis for selecting policies for consideration. In response to how the pros and cons of policy options are typically assessed, most interviewees cited the following:

- Feasibility (in terms of legislation, cost, workability in the Manitoba context);
- Ability of the option to meet client/stakeholder interests;
- Political acceptability.

Only two departments cited departmental goals as one of the factors that guide the process of identifying options worth exploring further and only one department indicated that desired outcomes is one of the determinants of which options are selected for consideration.

Comparison with Ranking of Criterion

The apparent tendency not to develop a conceptual framework of principles as the starting point for generating options is not consistent with the ranking of this criterion by senior management - 86% consider it to be "very important" or "important" **(Figure 6)**.

Likewise, although 100% of departments ranked as "very important" or "important" being clear on desired outcomes/goals that a policy should achieve **(Figure 6)**, only one

department indicated during the interviews that desired outcomes is a factor in generating options and two departments identified departmental goals as a consideration.

Departments generally indicated that they evaluate policy options against a set of criteria, this appears to be consistent with the relative importance of this criterion - 93% of senior management rank it as "very important" or "important" **(Figure 6)**.

Criterion 4: Consultations

When asked whether they undertook any consultations during the policy development process and with whom, all departments responded that they consulted with a variety of sources. Almost all departments indicated that depending on the issues, they consult with:

- Clients/stakeholders;
- Other departments or government agencies/crowns;
- Other jurisdictions.

The next most frequently cited sources of consultation are:

- Colleagues within the department (including other divisions/branches);
- Central government (e.g., Treasury Board, Interdepartmental Planning Board, Community, Economic Development Committee, Policy Management Secretariat);
- The general public;
- Professional associations/universities.

Only one department indicated that it consulted the minister.

In relation to the timing of consultations, departments indicated that this varies depending on the time frames available, staff availability, the nature of the policy issue and policy options being considered. Generally departments indicated that they consult early on in the process and preferred initiating consultations as early as possible in the process. The importance of early consultations was stressed by a few departments for the following reasons:

- if proposed policies are developed through an entirely internal process and then released to clients/stakeholders and/or the public for debate, there is the risk of a backlash due to the fact that the community was not involved from the outset in defining the issues, understanding the scope of the policy work being undertaken, etc.
- during the fact finding stage, consultation with clients/stakeholders can ensure that one is on the right track in terms of understanding the nature of the problem and issues.

In many cases, departments preferred to have some type of written document (e.g., a discussion paper, an issues paper, a concept paper) to kick-start the process of obtaining feedback and reactions from those who are consulted.

Departments generally noted that consultations might occur in successive rounds: at the initial stage in defining and analyzing the problem and in later stages in relation to

potential policy options. It was also noted that not all those who are going to be consulted are consulted at the same time. Thus within the early stages of policy development for instance, consultations might begin with internal consultations and contact with other jurisdictions and professional associations, followed by certain clients/ stakeholders and then more broadly to other community interests.

Comparison with Ranking of Criterion

With the exception of the importance placed on consultation with the Minister's office, the rankings co-relate with the interview findings regarding whom departments consult with most frequently **(Figure 6)**.

It is worth noting that there is a startling difference between the ranking of the importance of consulting with the Minister's office and the interview findings. While 100% of departments ranked this as "very important" or "important" only one department identified consultation with the Minister's office during the interviews. This may not necessarily mean that consultations with the Minister's office are not taking place; it could have been an oversight in terms of mentioning it during the interviews.

Criterion 5: Performance Monitoring

Is There A Systematic Approach To Evaluation?

In response to the question of whether departments have a systematic approach to the evaluation of how policies are working after they are put in place, with one exception, all departments indicated that they did not have a systematic approach. One department indicated that evaluations are conducted on a rotational basis following a systematic approach. Generally however, departments conduct evaluations on an ad hoc basis when the need arises (e.g., a problem arises, negative media coverage, complaints, etc.) or where quantitative data can be readily collected in order to compare the impact before and after a policy is implemented. A few departments also pointed out that where Federal/Provincial agreements are in place, they generally require evaluation.

Is There A Need For More Evaluation?

When asked whether they would consider it a good idea to have systematic evaluation of policies, departments generally felt that this would be an ineffective and inefficient use of scarce resources. Instead, departments favour a selective approach whereby certain policies are evaluated as it is deemed necessary to do so. Essentially, departments hold this view because they consider themselves to be in touch with the impacts of their policies and how their policies are working through ongoing contact with clients/ stakeholders. Departments pointed out as well that negative media coverage or complaints are other ways in which they can keep abreast of policy issues and the potential need for an evaluation of existing policies. It was felt that if there are no complaints, then a policy is satisfactory.

Are There Constraints to Evaluation?

In responding to the question of what are the constraints to policy evaluation, departments identified the key limitations to be:

- Cost of data collection and analysis;
- Lack of staff time;

- Inconclusiveness of some evaluations due to the challenges of attributing to a particular policy or set of policies certain outcomes, (i.e., there may be other factors that have resulted in any given outcome);
- Lack of in-house expertise to conduct evaluations;
- Long time frames are sometimes necessary in order to see a measurable impact of a policy.

A few departments speculated on whether governments would want evaluations to take place as a matter of routine on all policies given that public policies stem from election commitments, political objectives, priorities and philosophies. They noted that often policy evaluation can be a "waste" since policy change rarely occurs. They also pointed out that it often becomes politically untenable to withdraw the policy or even change it if changing it results in a reduction of a service or a program.

How Is Information From Evaluations Used?

To the extent that departments are doing evaluations, most responded that evaluation data is used to make adjustments to policies/programs. Several made the point that such adjustments are made whenever feasible which was explained to mean financial, legal or political feasibility.

A good many of those interviewed indicated that evaluation data is shared with the public, clients/stakeholders or service delivery agencies for the purpose of general information, education and assistance. For instance, when evaluations compare results among similar entities, departments pointed out that these provide useful learning to those entities that may be lagging behind. These types of evaluations provide departments with a basis for placing certain expectations on service delivery agencies as well as information on where to target efforts aimed at assisting them in their areas of weakness.

Several departments indicated that evaluation results are used to make expenditure decisions, to forecast future trends, and to identify areas for further analysis.

In one or two interviews, departments cited the following uses for their evaluation data:

- To brief the Minister;
- To advise the Deputy Minister;
- To assess their effectiveness and efficiency;
- To shape future policy decisions.

Comparison with Ranking of Criterion

The view communicated during the interviews that it is not necessary to institute a systematic approach to evaluate the performance of policies is reflected in the ranking of the importance of performance monitoring. Only 36% of departments consider this criterion to be "very important" while 43% consider it to be "important". In fact, 21% are "neutral" on the importance of measuring the performance of a policy to determine if intended results are being achieved.

FINDINGS PERTAINING TO ORGANIZATIONAL CONTEXT CRITERIA

Criterion 6: Leadership Direction and Support

Process Management

When asked how they would describe their role in the policy development process, senior management generally perceived their role to include process management:

- Interpreting for staff direction from the centre and the Minister;
- Determining the scope of the policy work;
- Fostering team approaches (bringing together the right mix of expertise from different branches);
- Giving direction and feedback at different stages in the process;
- Relationship management internally within the department and government and externally between the department and clients/ stakeholders, the media, etc.

Product Management

In terms of product management, only one-third of senior management mentioned that they play a role in quality control of the policy document produced. This may not necessarily mean that senior management is not actively involved in quality control; it could have been an oversight in terms of mentioning it during the interview.

Support Networking

In all departments, senior management supports networking and linkages with external organizations. Each department provided numerous examples of the professional and stakeholder as well as academic and research institutions with which they have contact and/or memberships.

Resources

In terms of the resources that senior management makes available to policy staff, all departments indicated that their staff have access to resources such as:

- the internet;
- various databases;
- training;
- attending conferences;
- memberships in various associations;
- subscriptions to professional journals;
- opportunities for contact with their counterparts in other jurisdictions;
- occasional opportunities to collaborate on inter-jurisdictional policy research initiatives;

- Departments noted that due to financial constraints, they had to be very selective in the types of professional development opportunities that they provided policy staff in order to maximize the benefits to the department.

Rotation of Policy Staff

With respect to the rotation of policy staff, departments provided us with data on this question which indicates that in the last three years:

- only three policy staff from two departments transferred to a permanent policy position in another department; and
- three policy staff from two departments requested and were granted secondments to a policy position in another department.

Having middle and senior level policy staff in the same policy unit for years provides corporate memory and continuity. However, there can be limitations associated with years of service in one policy area. It can be counterproductive to innovation in the policy process. It can produce policy staff who are wedded to particular policy solutions and cynical about new approaches.

Comparison with Ranking of Criterion

There appears to be a reasonably good fit between management's description of its role and the relative importance that departments gave to the criterion of Leadership Direction and Support - 100% ranked it as "very important" or "important". None of the departments is "neutral" on this criterion **(Figure 8)**.

Criterion 7: Human Resources

As a way to determine if senior management perceive a need for improvements in the competencies of policy staff, they were asked whether there was anything they would like to provide their policy staff with in order to assist them in their work.

Generally, senior management gave the impression during the interviews of being satisfied with the competencies of policy staff and the mix of policy expertise within their departments. Nevertheless, they did identify some areas where there is room for improvement.

More Training

Over half the departments (60%) responded that they would like to be able to provide their staff with access to more training. While the areas of training varied widely from department to department, most cited training in analytical/critical thinking and training in specialized fields (e.g., international trade agreements, facilitation skills, economics).

Other areas of training identified represent a broad range including: computer skills in data manipulation, survey design, evaluation, writing skills.

When asked whether there are any constraints to providing policy staff with access to such training, departments responded that time and money are the obstacles. Policy staff generally lack sufficient time to meet the policy demands placed on them and therefore finding time to attend a training course is a challenge. Fiscal restraint creates limits in terms of how many staff can participate in training and the type of training opportunities

that the department can afford (e.g., courses which may be offered out of province through academic institutions as summer institutes for instance may be very good but very costly). Senior management pointed out that they have to be very strategic in funding professional development.

More Staff/Time For Policy Research and Analysis

Approximately 60% of departments indicated that they would like to be able to hire more policy staff or give their existing policy staff more time to develop policies. These departments felt that government's demand for policy outstrips the available supply of policy resources to generate the policy work. Here again, the primary constraint to obtaining additional policy resources is financial.

Comparison with Ranking of Criterion

During the interviews, senior management conveyed general satisfaction with the skills and expertise of policy staff. This co-relates positively with the ranking of Human Resources by management - 100% indicated it is "very important" or "important" **(Figure 8)**.

Criterion 8: Infrastructure Support

In response to whether policy staff have adequate access to the right mix of resources to enable them to do their work, about one third of departments indicated that they would like to be able to provide policy staff with access to more data/research information. Constraints to being able to do so are time and money. Interviewees indicated they lacked sufficient resources to collect and analyze additional data, undertake background research studies or alternatively to hire the services of consultants/persons on contract to provide such information.

Providing staff with more time to be able to undertake more in-depth analysis was perceived by departments as an essential ingredient in order to develop long-range policies and to develop forward-thinking proactive policies. Departments indicated that time constraints/limited number of policy staff has resulted in focussing on the more immediate policy needs (e.g. , responding to pressure points versus emerging trends).

A few departments (20%) want to be able to provide their policy staff with more opportunities to participate in inter-jurisdictional meetings or to travel to other jurisdictions to obtain more in-depth understanding of leading practices. Similarly, 20% of departments want to be able to provide their policy staff with more opportunities to attend conferences. In both cases time and money were cited as the constraints.

One department suggested the need for a forum for policy staff from all departments to meet on a regular basis in order to provide policy staff with broad based understanding of policy development activities across government and to foster policy coordination and communication between departments. It was felt that such a forum would need to be initiated from the centre.

Comparison with Ranking of Criterion

The interview responses from senior management parallel the ranking of this criterion - 93% rated Infrastructure Support as "very important" or "important" **(Figure 8)**.

PART 2: PERCEIVED DRIVERS OF EXCELLENCE IN PUBLIC POLICY DEVELOPMENT

APPROACH

INTRODUCTION

We invited Cabinet Ministers and the Policy Secretariat to participate in the policy review project. Nine of the fifteen ministers were available for interviews and staff from the Policy Secretariat also agreed to be interviewed. The focus of the interviews was on their expectations of the policy process and the policy product and their perceptions of the areas needing improvement in policy development. Interviews were conducted between April 2001 and July 2001.

In this Part we present the findings from the interviews with ministers/Policy Secretariat with respect to their views on the key factors that can influence excellence in policy development and their perception of areas that need strengthening. We also compare the perception of ministers/Policy Secretariat with the views of senior management in departments in regards to the drivers of excellence in policy development and the key areas where improvements are needed. As well, we compare the key factors identified with our project criteria.

KEY FACTORS INFLUENCING EXCELLENCE

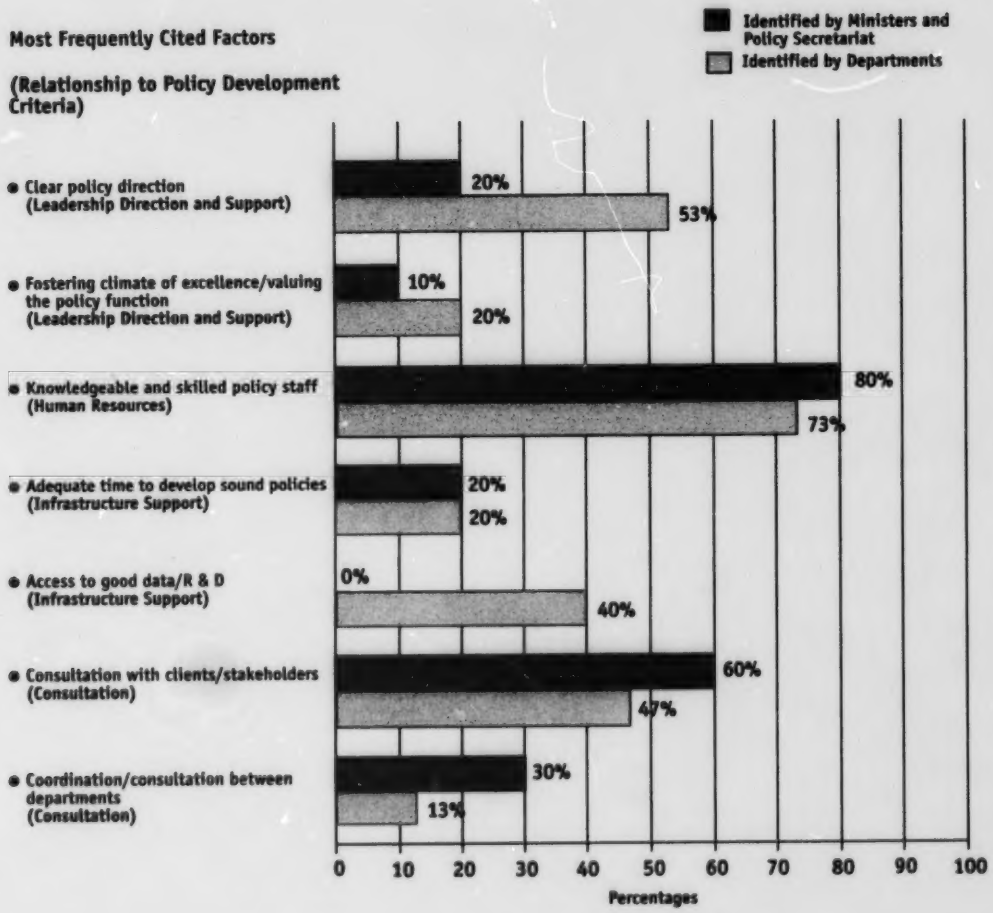
Figure 9 identifies the most frequent responses in relation to the question of what are the key factors that can influence excellence in the development of public policy. The responses of ministers and the Policy Secretariat are compared in **Figure 9** to the responses we received from senior management in departments.

As **Figure 9** shows, from the point of view of ministers and the Policy Secretariat, the top three drivers of excellence in the development of public policy are:

- **Knowledgeable and skilled policy staff**
  - explained by respondents as analytical skills, creative thinking, being current on the subject matter, good judgement — 80%
- **Consultations with clients/stakeholders**
  - consultations external to government — 60%
- **Co-ordination/consultation between departments**
  - internal consultations — 30%

Figure 9

Key Factors Influencing Excellence in the Development of Public Policy



Total Number of Departments Responding - 15
Total Number of Ministers Responding and Policy Secretariat - 10

From the perspective of senior management in departments, the top three drivers of excellence in the development of public policy are:

- **Knowledgeable and skilled policy staff** 73%
- **Clear policy direction**
  - expressed in several different ways including the presence of: clear departmental goals and priorities; clear government vision and priorities; and clear direction from government at strategic points in the process 53%
- **Consultation with clients/stakeholders** 47%

There is consensus between ministers/Policy Secretariat and departments on the number one factor influencing excellence in the development of public policy - knowledgeable and skilled policy staff.

While ministers/Policy Secretariat and departments have both placed consultation with clients/stakeholders among their top three factors, it ranked second for ministers/Policy Secretariat and third for departments.

Worth noting is the relatively low emphasis placed on internal consultations as a driver of excellence in the development of public policy - 30% of ministers/Policy Secretariat and only 13% of departments identified it as an influencing factor.

It is understandable that from the point of view of senior management in departments clear policy direction would play an important role in their ability to respond to policy requests from the government/minister (53% identified it as a key factor). Without a clear policy framework, departments feel that the policy development process is not as effective as it might be.

Forty percent of departments identified access to good data/research and development (R & D) as an influencing factor. By contrast, none of the ministers/Policy Secretariat identified this factor.

Comparison with Our Criteria

A comparison between the drivers of excellence identified by respondents and our model of effective policy development capacity (**Figure 4**) suggests that the perspective of respondents is in agreement with the model. As **Figure 9** shows, the identified drivers of excellence cover off all of our organizational criteria. With respect to the policy process, it can be argued that the identification of knowledge and skills as a key factor influencing policy development, relates to the process criteria (i.e., without the right mix of knowledge and skill, issue identification and analysis, generating solutions and performance monitoring are hampered). Also, consultation which forms part of the process criteria was identified by respondents as a driver of excellence. [4]

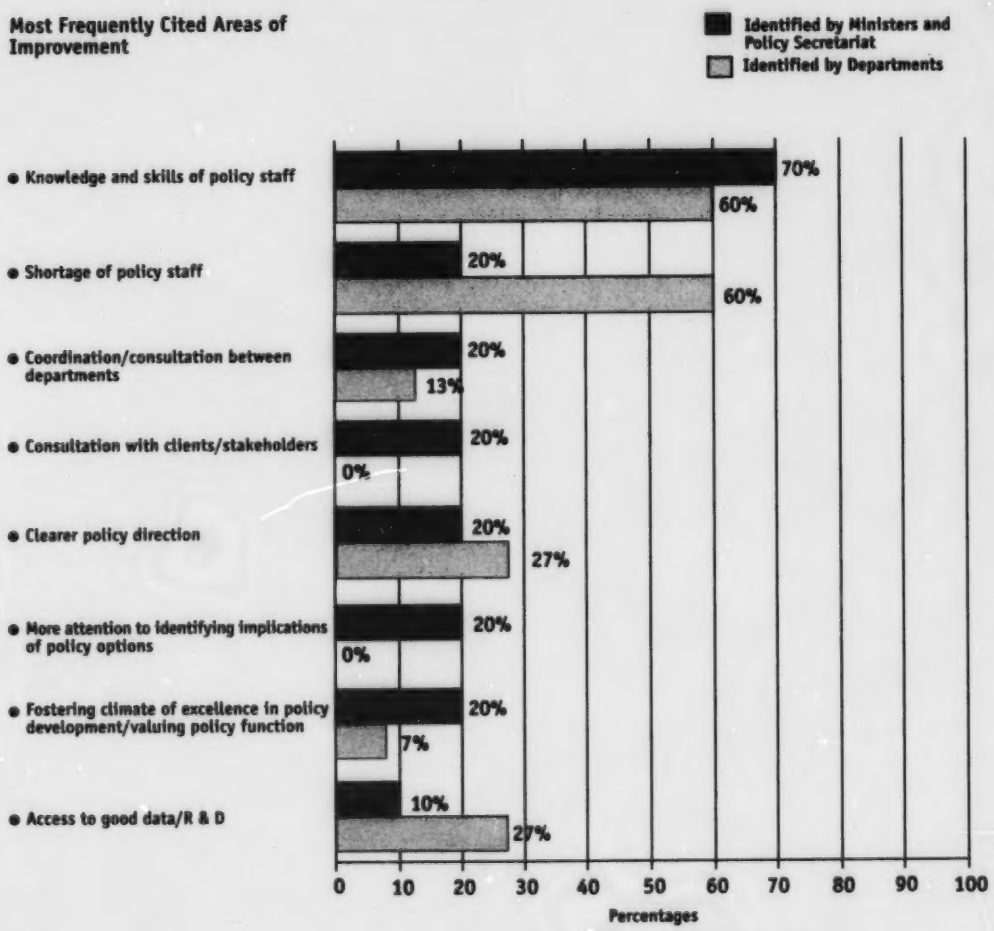
[4] The views of ministers/Policy Secretariat on their expectations of a policy document and how that compares to our policy document criteria is contained in Part 4.

AREAS THAT NEED IMPROVING

With respect to the areas that need improving in the development of public policy, by far the most frequently cited one by ministers/Policy Secretariat is the area of knowledge and skill of policy staff. Seventy percent identified this factor as an area that needs strengthening (**Figure 10**). For senior management knowledge and skills of policy staff is one of the two top areas needing improvement (60% identified it). Senior management noted that while they are generally satisfied with the capability of policy staff, they wished there was time and money to provide staff with more opportunities for learning and training in certain areas to enhance or strengthen their skills.

Figure 10

Areas Requiring Improvement in Policy Development



Total Number of Departments Responding - 15
Total Number of Ministers Responding and Policy Secretariat - 10

Figure 11 below presents the types of comments made by ministers/Policy Secretariat and senior management in relation to the knowledge and skills improvements that are needed.

Figure 11

Knowledge and Skills of Policy Staff - Areas That Need Strengthening

[illegible]	[illegible]
• More analytical/creative thinking. • More consistent quality of research. • Keeping current on policy issues. • Taking a broader perspective in presenting policy issues. • Identifying risks/vulnerabilities associated with policy options. • Greater ability to prioritize among policy requests in order to improve timeliness of response.	• More analytical/creative thinking. • More knowledge/skills in specialized fields (e.g., economics, facilitation skills, international trade agreements). • More computer skills for data manipulation. • More evaluation skills. • More survey design skills. • Better understanding of steps in the policy development process.

When we compare the above lists of knowledge and skill areas that need improving, it is interesting to note that the comments identified by departments can be taken as the "inputs" that are necessary in order to satisfy the ministers'/Policy Secretariat's expected "outputs".

With one exception, all other areas of improvements identified by ministers/Policy Secretariat tied at 20% of respondents citing them (**Figure 10**):

- Shortage of policy staff;
- More co-ordination/consultation between departments;
- More consultation with clients/stakeholders;
- Clearer policy direction;
- More attention to identifying implications of policy options;
- Fostering a climate of excellence/valuing the policy function.

Most senior management (60%) identified policy staff shortages as an area that needed to be addressed. Departments pointed out during the interviews that they cannot undertake the type of in-depth analysis of policy issues that they would like to be able to do with the limited number of policy staff resources currently available. It was also pointed out that it is difficult to ensure that solid, unassailable policy options are put before ministers given the limited number of staff and the time pressures within which policy work is frequently undertaken. Shortage of policy staff was also cited as a limiting factor in being able to devote any substantial time to forward thinking policy development work (i.e., long range policy development versus responding to immediate policy concerns or policy crises).

After knowledge and skill, and shortage of staff, senior management identified the following areas as needing improvement (**Figure 10**):

- Clearer policy direction (27%)
- More access to good data/R&D (27%)

PART 3: ASSESSMENT OF DEPARTMENTAL POLICY DOCUMENTS

APPROACH

INTRODUCTION

As part of the policy capacity review, we assessed the quality of departmental policy documents using a set of criteria that we developed for this exercise. (Criteria described below.)

As explained under Part 1, each department was asked to rank the importance of the project assessment criteria. Management's ranking of the criteria that pertain to a good policy document are presented in this Part.

Each department was asked to submit for assessment, two policy documents prepared within the last three years (i.e., between 1998/99 and 2000/01).

The request for two policy documents from each department was accompanied with the definition of a "policy document" that is being used for purposes of this project. (Definition provided below.)

In total, 22 documents were assessed. In a couple of instances, we did not receive policy documents. Also, in a few cases, documents received were not suitable for review, as they did not fit the definition of a policy document.

DEFINITION OF POLICY DOCUMENT

For purposes of this project, a "policy document" is the product of a policy development process (described earlier in this report). A policy document can take a variety of forms. It can be a discussion paper, a white paper, a cabinet or treasury board submission, a briefing note and so forth.

POLICY DOCUMENT ASSESSMENT CRITERIA

Six assessment criteria were used to evaluate the quality of departmental policy documents. Each criterion is described below. The criteria were developed based on a review of the literature on this subject (see Sources of Information at the end of the report).

Criterion 1: Present the Purpose of the Policy Document

A policy document should explain the reasons for the policy paper, the nature and scope of the issue/problem for which a policy response is being sought and the desired outcome that a policy or set of policies is intended to achieve.

Criterion 2: Provide Evidence

A policy document should provide data/facts to substantiate and support the various arguments and recommendations put forth. Data/facts can be qualitative and quantitative.

Criterion 3: Identify and Evaluate Options

A policy document should identify the range of options available to address the issue/problem described and should identify the framework of principles or objectives that guided the selection of options to be considered. A common set of criteria should be used to evaluate the pros and cons of each of the options considered. Where a review of options is not considered relevant or suitable in relation to the policy question at hand, a policy document should include a statement to this effect with reasons.

Criterion 4: Logical Sequence

A policy document should contain a logical flow in terms of presenting the various arguments and recommendations put forth. The linkage between one section of a policy paper and the next should be clear. The reader should have an overall sense of the organizational structure of the policy document.

Criterion 5: Present the Results of Consultations

A policy paper should identify who has been consulted in the process of developing the policy paper and should identify the feedback received from those consulted. Where consultation is not deemed appropriate or timely under the circumstances, the policy paper should provide a statement to this effect with reasons.

Criterion 6: Clear Presentation

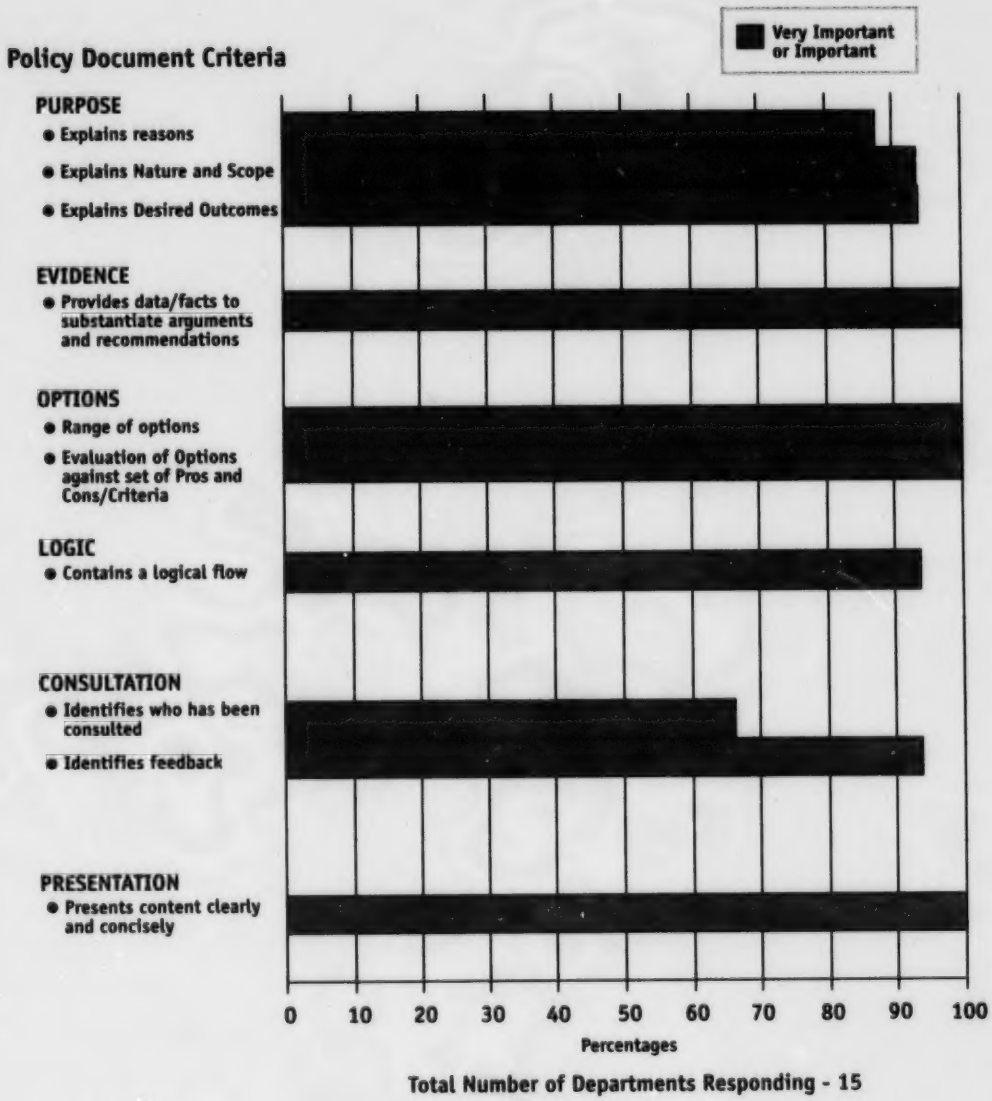
A policy paper should present each section in a direct, straightforward fashion that is as brief as possible without compromising comprehensiveness and comprehension.

MANAGEMENT'S RANKING OF THE CRITERIA OF AN EFFECTIVE POLICY DOCUMENT

Figure 12 presents the response from senior management with respect to the importance of each of the features of a quality policy document. All departments responded to the survey. As **Figure 12** shows, there is consensus among senior management with respect to the features we have selected as criteria by which to assess the quality of a policy document. In virtually all cases, over 90.0% of departments ranked the criteria as "very important" or "important" (**Figure 12**). None of the departments ranked any of the features of a policy document as "unimportant" or "very unimportant".

Figure 12

Departments' Rating of Importance of Criteria of an Effective Policy Document



Total Number of Departments Responding - 15

The top ranking criteria that 100% of departments consider to be "very important" or "important" are:

- **Evidence**
  - Provides data/facts to substantiate arguments and recommendations
- **Options**
  - Presents a range of options
  - Evaluation of options against a set of pros and cons/criteria
- **Presentation**
  - Presents content clearly and concisely.

Figure 13 provides a detailed breakdown of the responses from departments on the criteria.

Apart from ranking the importance of the features of a quality policy document, senior management was asked to identify any other features that they believe should be added to our list. Two new features were proposed for inclusion: a communications strategy; and the identification of next steps. [5] While the inclusion of a communications strategy in a policy document may be desirable and necessary in some cases, it does not relate to the activity of policy development. Communication is the step that follows after a decision is made on a particular policy direction. Likewise, next steps may be appropriate to include in a policy paper however, this relates to policy implementation and not to the features of an effective articulation of policy examination and proposed policies.

[5] In a few cases criteria were added under "other" that related to or are another way of expressing our list of criteria. These are not captured here as they are included in the criteria of our model.

ASSESSMENT OF POLICY DOCUMENTS

In this section of the report we present the findings from the assessment of 22 policy documents submitted by departments. The findings are presented in relation to each criterion on a policy product that forms part of our policy capacity model (see **Figure 4**). As well, findings from the assessment of policy documents are compared to the responses we received from management's ranking of the importance of each criterion pertaining to the policy product.

In using the six policy document criteria identified earlier, we developed a scoring system to guide the assessment of the policy documents. Each policy document was assessed in relation to each criterion. The next step was to give an overall assessment of each policy paper based on the assessments in relation to the criteria as a set.

FINDINGS

Overall Assessment of Documents

As **Figure 14** shows, none of the policy documents "fully met" the criteria and less than one-quarter of them "substantially met" the criteria. The largest number of documents (77%) "partially met", "substantially did not meet" or "did not meet" the criteria.

Figure 13

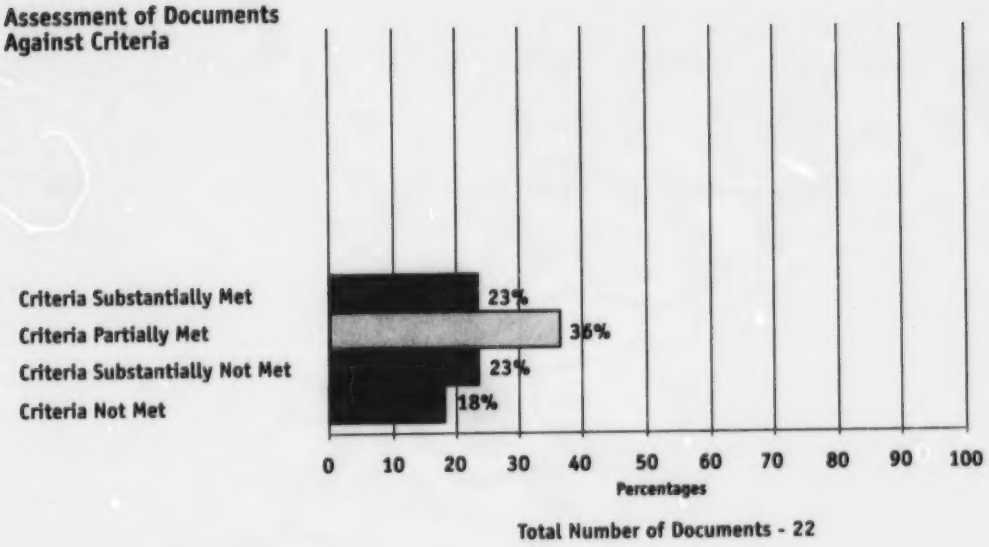
Breakdown of Departments' Rating of Importance of Criteria of an Effective Policy Document

Policy Document Criteria	Very Important	Important	Neutral	Unimportant	Very Unimportant
PURPOSE					
• Explains reasons for a policy paper.	47%	40%	13%	0%	0%
• Explains nature and scope of problem/issue for which policy response is being sought.	60%	33%	7%	0%	0%
• Explains desired outcomes that the selected policy should achieve.	53%	40%	7%	0%	0%
EVIDENCE					
• Provides data/facts to substantiate and support the various arguments and recommendations put forth.	27%	73%	0%	0%	0%
OPTIONS					
• Presents a range of policy options/ solutions.	36%	64%	0%	0%	0%
• Provides an evaluation of each policy option based on a set of pros and cons/criteria.	27%	73%	0%	0%	0%
LOGIC					
• Contains a logical flow in terms of the presentation of the various arguments and recommendations put forth.	33%	60%	7%	0%	0%
CONSULTATION					
• Identifies who has been consulted in the process of developing and evaluating policy options.	13%	53%	33%	0%	0%
• Identifies feedback by those who were consulted.	27%	66%	7%	0%	0%
PRESENTATION					
• Presents the content clearly and concisely.	66%	33%	0%	0%	0%

Note: Percentages may not equal 100% due to rounding.

Figure 14

Overall Assessment of Departmental Documents



Assessment in Relation to Individual Criteria

Figure 15 presents the results of the assessment of documents in relation to each of the six criteria.

Criterion 1: Purpose

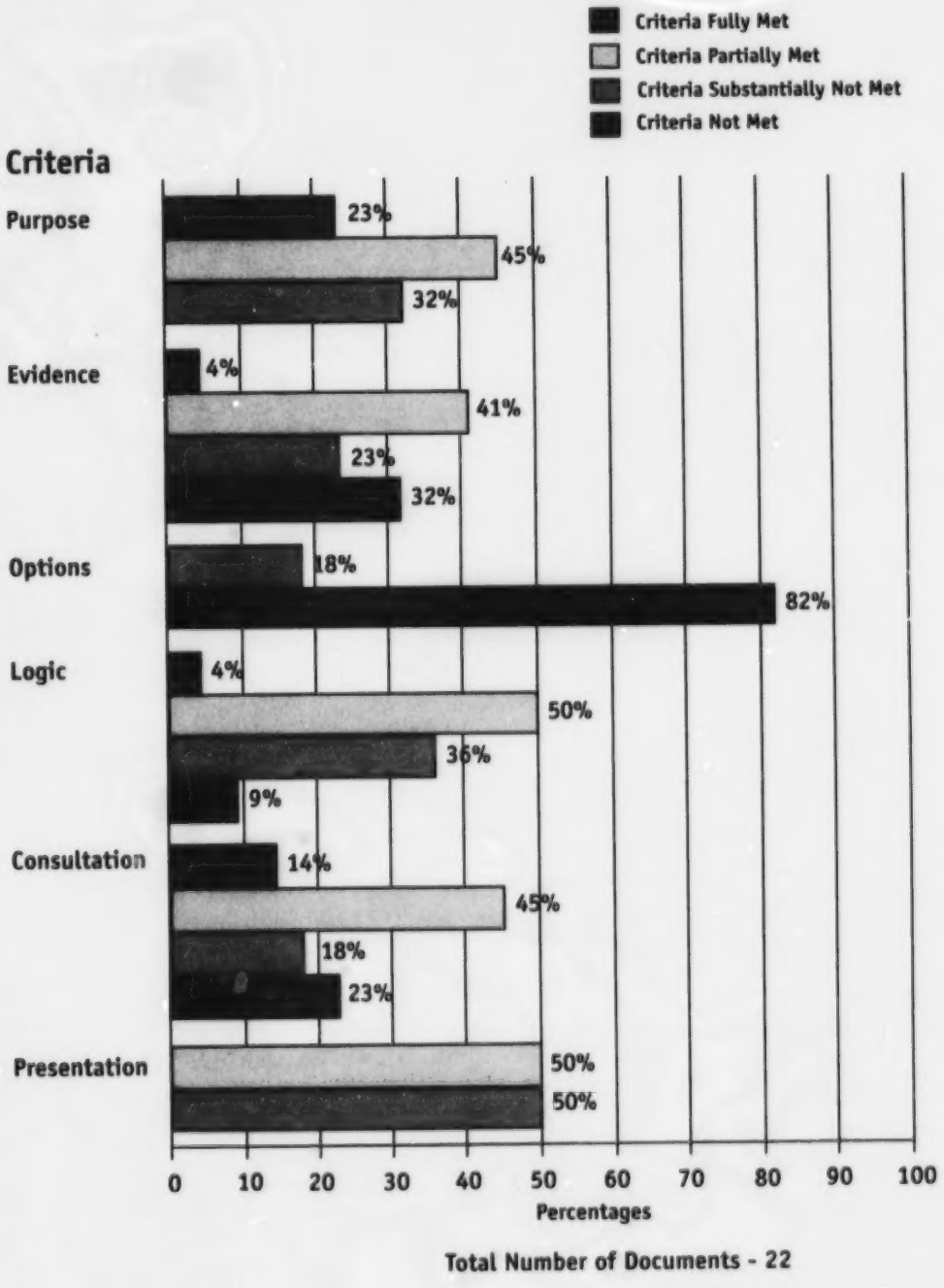
Most of the policy papers (68%) either "fully met" or "partially met" the criterion of Purpose. Typically, where policy documents fall short is in relation to presenting the nature and scope of the problem/issue in quantitative and qualitative terms. Nevertheless, policy documents scored best in relation to this criterion. The percentage of documents that "fully met" this criterion, (23%) exceeds the percentage of "fully met" under any other criterion.

Comparison with Ranking of Criterion

There is a co-relation between management's ranking of the importance of Purpose and our assessment of policy documents in relation to this criterion. The three components of this criterion are rated as "very important" or "important" by over 85% of departments **(Figure 13)**.

Figure 15

A Review of Departmental Documents Against Assessment Criteria



Note: Percentages may not equal 100% due to rounding.

Criterion 2: Evidence

In relation to the criterion of Evidence, over 50.0% of documents either "substantially did not meet" or "did not meet" the criterion.

In the area of Evidence, the most common limitation of policy documents is the tendency not to describe with substantiating evidence, the issues or problems for which policy solutions are being put forward. Rather the focus is on describing the proposed policies.

Comparison with Ranking of Criterion

Although 100% of departments ranked the criterion of Evidence as "very important" or "important" **(Figure 13)**, the policy documents reviewed demonstrated significant gaps in evidence.

Criterion 3: Options

With respect to the criterion of Options, all the documents either "substantially did not meet" or "did not meet" the criterion. There is very little if any evidence in the documents of evaluation of options in a systematic way (i.e., using a set of common criteria applied against each option in order to determine the pros and cons). It should be noted that in contrast to this finding, during the departmental interviews, all departments responded that they typically consider options in the policy development process.

While options may well be considered in the process, reference to them or evaluation of them was largely absent in the policy documents we reviewed. While it is recognized that not all policy papers are options papers, nevertheless, a policy document should indicate if alternatives were considered, which ones, and why they were determined to be less desirable than the recommended approach.

Comparison with Ranking of Criterion

While 100% of departments ranked the criterion of Options as "very important" or "important" **(Figure 13)**, the policy documents demonstrated a significant weakness in this area.

Criterion 4: Logic

Of the policy documents reviewed, 54% either "fully met" or "partially met" the criterion of Logic. Examples of the typical instances where documents fell short is in relation to:

- The reader having to infer meaning because points were not explicitly made.
- Objectives or principles included in the front end of the document were not subsequently referred to or linked to the discussion of proposed recommendations thereby leaving the reader unclear as to why they were included.
- Where problems/issues were not well explained, the logic behind the recommendations became sometimes difficult to grasp.

Comparison with Ranking of Criterion

Logic was considered "very important" or "important" by 93% of departments **(Figure 13)**. Although the majority of the documents (54%) either "fully met" or "partially met" the criterion of Logic, nevertheless it should be noted that 54% is a slim majority given the relative importance that departments place on this criterion in their ranking of it.

Criterion 5: Consultation

Policy papers scored high on the Consultation criterion - 59% either "fully met" or "partially met" the criterion. However, the emphasis in the policy papers was on identifying who was consulted with much less emphasis on identifying the reactions and feedback from those consulted.

When objections or concerns were captured in the policy document, it was done in a fairly cursory fashion. As well, there was a tendency not to link the results of consultation to the recommended policy direction.

Comparison with Ranking of Criterion

There is an inverse relationship between where the emphasis is placed in the documents and management's ranking of the importance of this criterion. Identifying who was consulted was rated as "very important" or "important" by 66% of departments while flagging the feedback of those consulted was rated as "very important" or "important" by 93% of departments. As noted above, in the documents the focus is on who was consulted rather than presenting the feedback from the consultations.

Criterion 6: Presentation

None of the policy documents "fully met" the Presentation criterion. While 50% of documents "partially met" the criterion, the other 50% "substantially did not meet" the criterion. In relation to the Presentation criterion, the following examples are typical of the shortcomings of the policy papers:

- There is an absence of an explanation as to the organization of the paper to make it easier for the reader to know where the paper is going next.
- There is insufficient use of sub-headings to queue the reader as to the next topic.
- The reader has to "weed out" key points from the document.
- Often one has to infer meaning and/or make leaps of thought to follow the logic of the policy paper.
- There is a tendancy towards brevity to the point of compromising comprehensiveness and comprehension.

Comparison with Ranking of Criterion

While this is one of the weakest areas of policy documents (scoring the highest percentage of "substantially not met" among all the criteria), Presentation is considered "very important" by 66% of management. In fact, Presentation appears to be the highest rated criterion - no other criterion was rated "very important" by 66% of management.

PART 4: GOVERNMENT'S EXPECTATIONS OF POLICY DOCUMENTS

APPROACH

INTRODUCTION

As indicated earlier, we interviewed Cabinet Ministers and the Policy Secretariat as part of this project. In relation to policy documents, the focus of the interviews was on their expectations of the policy documents (i.e., policy products) and their perceptions of the areas needing improvement in policy documents.

In this Part we also compare our project criteria on a policy product to the expectations of ministers/Policy Secretariat on what a policy document should contain. As well, we compare the observations of ministers/Policy Secretariat on areas that need to change with our findings from the assessment of departmental policy documents.

EXPECTATIONS OF MINISTERS AND THE POLICY SECRETARIAT

Figure 16 identifies the most frequent responses in relation to the question put to ministers/Policy Secretariat about what they expected from a policy document. The top three ingredients that ministers/Policy Secretariat expect to have in a policy document are:

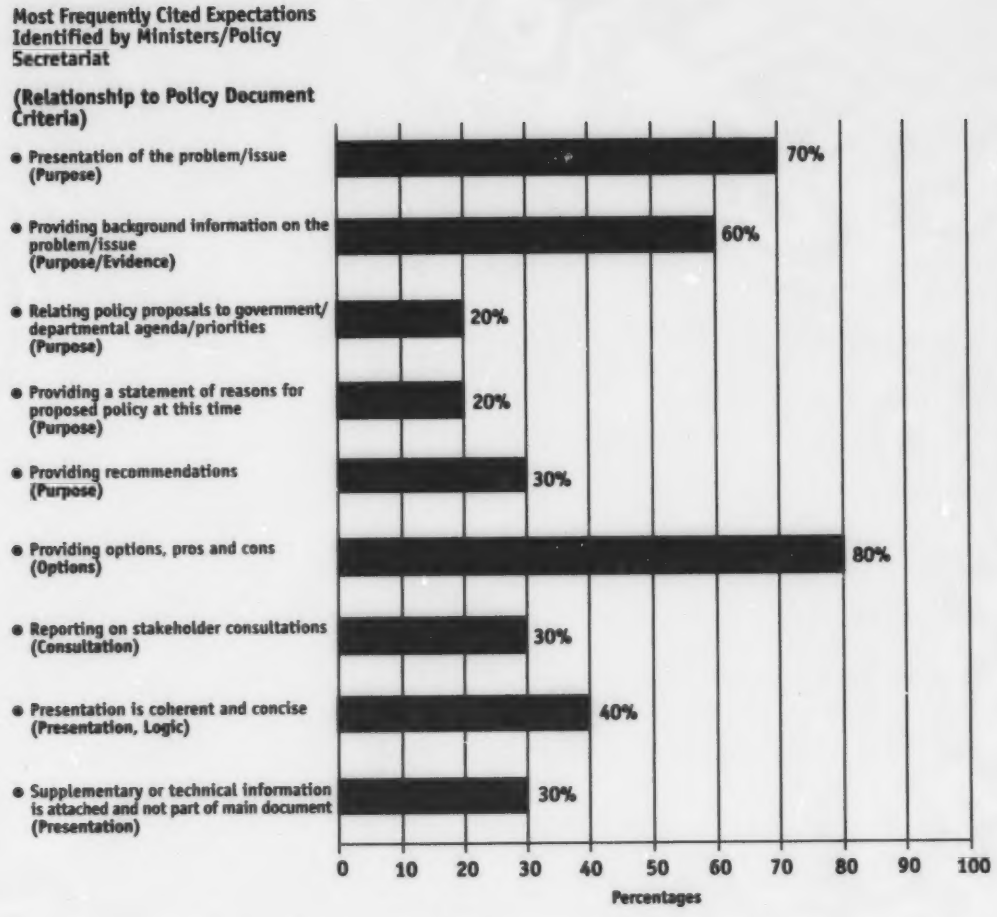
- Presentation of options, pros and cons 80%
- Presentation of the issue 70%
- Presentation of background information (history and context on the problem/issue) 60%

Comparison With Our Criteria

Each of the expectations identified in **Figure 16** in relation to a policy product is covered in our project criteria. Thus the expectations of ministers/Policy Secretariat reflect the criteria for an effective policy document contained in on our model in **Figure 4**.

Figure 16

Expectations of a Policy Document


Most Frequently Cited Expectations Identified by Ministers/Policy Secretariat
(Relationship to Policy Document Criteria)
Presentation of the problem/issue (Purpose)
70%
Providing background information on the problem/issue (Purpose/Evidence)
60%
Relating policy proposals to government/ departmental agenda/priorities (Purpose)
20%
Providing a statement of reasons for proposed policy at this time (Purpose)
20%
Providing recommendations (Purpose)
30%
Providing options, pros and cons (Options)
80%
Reporting on stakeholder consultations (Consultation)
30%
Presentation is coherent and concise (Presentation, Logic)
40%
Supplementary or technical information is attached and not part of main document (Presentation)
30%
0 10 20 30 40 50 60 70 80 90 100
Percentages

Total Number of Ministers Responding and Policy Secretariat - 10

AREAS THAT NEED IMPROVING

In discussing where expectations are falling short, ministers/Policy Secretariat identified three areas that need improving (**Figure 17**).

Written communication was the most frequently cited area that needs improving (noted by 50%). Here the issue appears to be presenting ideas in a less technical jargon-like fashion. Some respondents made the point that staff need to be more aware of the audience for whom they are writing - an audience that does not generally have all the background knowledge on the subject that the analyst possesses. It was pointed out during the interviews that there is a tendency to assume the reader knows more than he/she does or that the reader will infer or make certain leaps in logic. While ministers/Policy Secretariat do not wish to read longer policy documents, greater coherence and clarity is required while making every effort to be concise.

Closely related to improving written communication is the inclusion of evidence in policy documents. Forty percent of ministers/Policy Secretariat identified the need for more data to substantiate arguments and recommendations being put forth. Here the point was made that policy papers are sometimes thin on data to support the arguments being made in the paper.

The need to go beyond explaining the problem/issue as it currently exists was identified by 20% of respondents. Some interviewees expressed a wish to have more background or historical information on the problem/issue and to have the problem/issue situated within the context of broader trends (i.e., going beyond presenting what a particular problem/issue means for a given department or in relation to a particular program). Instead, there is a wish that a problem/issue be presented in relation to societal trends, economic or technological trends, government's vision and goals, and so forth.

Comparison With Our Assessment of Policy Documents

There is a co-relation between our assessment of policy documents submitted by departments and the areas of weakness identified by ministers/Policy Secretariat.

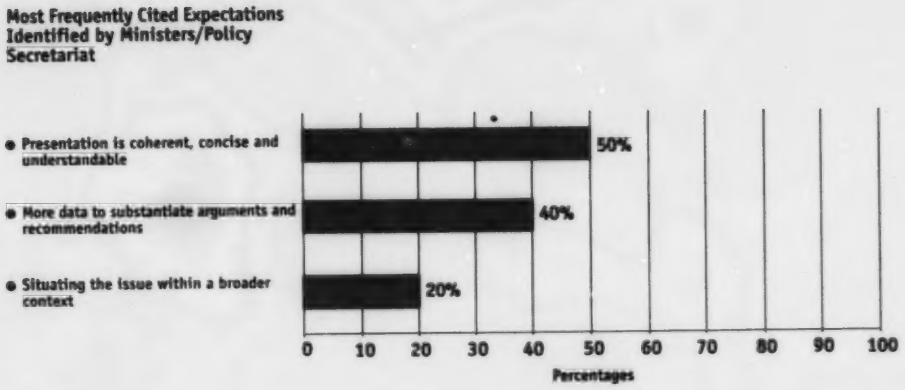
Ministers/Policy Secretariat identified the need for clearer, more coherent written documents. In reviewing policy documents we found that none of the policy documents "fully met" the Presentation criterion. Only 50% "partially met" the criterion and the other 50% "substantially did not meet" the criterion. (For details, refer to Part 3.)

The need to provide more data in support of the arguments put forth in policy documents as well as the need to situate a problem/issue within a broader context was also raised by those interviewed. In relation to the criterion of Evidence, over 50% of documents either "substantially did not meet" or "did not meet" the criterion. (For details, refer to Part 3.) As well, although we found that 68% of departments "fully met" or "partially met" the criterion of Purpose the weakness related to presenting the nature and scope of the problem in quantitative and qualitative terms.

It is worth noting that the presentation of options, pros and cons which is the most frequently cited expectation of ministers/Policy Secretariat was not identified by them as an area that needs strengthening. We found that Options is the weakest area of policy papers. All of the documents reviewed "substantially did not meet" or "did not meet" this criterion. (For details, refer to Part 3.)

Figure 17

Areas Needing Improvement in Policy Documents



Total Number of Ministers Responding and Policy Secretariat - 10

PART 5: CONCLUSIONS AND RECOMMENDATIONS

OVERALL ASSESSMENT

Capacity In Relation To The Policy Development Process

Based on the interviews we conducted, departments generally demonstrated awareness and understanding of the key ingredients of an effective policy development process and the type of organizational environment that is conducive to the development of public policy. In particular, senior management seemed keenly aware of the importance of: defining the problem/issue and consultations with stakeholders and clients early on in the process. They highlighted the importance of policy staff having sufficient time to: conduct research, gather the facts, have access to good data, foster on-going linkages with their counterparts in other jurisdictions and various external contacts in the community including stakeholders and client groups.

One noticeable weakness is in the area of performance monitoring of policies after they are put in place. There is generally an absence of a systematic approach to tracking policies that are implemented. Departments did not feel that it was necessary to take a more systematic or rigorous approach to policy evaluation. Several noted that given more resources, they would want to hire more policy staff rather than undertake evaluations. As far as senior management in departments is concerned, they believe that they have their finger on the pulse through on-going contact with stakeholder/client groups from whom they seek feedback. Thus, if a policy is not working or if there are problems with it, they become aware of them through that avenue or through media coverage. The risk associated with this approach to performance monitoring is the potential for spending public funds on initiatives that are either no longer needed or are not functioning optimally.

Organizational Capacity

What we repeatedly heard during the interviews with senior management is that there is a shortage of staff and time to be able to do justice to policy development work. Senior management generally observed that the area of policy that is suffering the most is long range, forward looking policy development work. Given that available resources are stretched, departments focus on policy development in response to immediate issues of the day. Even at that, they sometimes feel that they could be doing a better job if more time or human resources were available to them. The risks associated with limited resource capacity is the potential for untimely and inadequate policy response.

While ministers/Policy Secretariat and senior management are generally satisfied with the work of policy staff, 70% of ministers/Policy Secretariat and 60% of senior management identified a need for improving knowledge and skills of policy staff. Senior management indicated that availability of time and money are the biggest constraints to professional development. The potential fallout of limited competencies is poor quality advice, poor quality policy documents, and untimely responses. Policy development is the heart of

government. Fostering the policy development function can contribute positively to government operations.

Capacity To Produce Policy Documents

The interviews we conducted with senior management suggest that senior management is well aware of the critical components of the policy development process. However, the policy documents we reviewed reflect in a limited way that departments are, in fact, adhering to the policy steps outlined in our criteria. For instance, during the interviews, senior management spoke of undertaking research and analysis to understand the breadth and depth of policy issues and yet the policy documents we reviewed are rather thin on substantiating their arguments with evidence. Although all departments indicated that they always or almost always consider policy options and evaluate them against a set of criteria, the documents we reviewed fell quite short on that score - presentation and evaluation of options is one of the weakest areas of policy documents. The documents do not adequately convey this in the report. Likewise, consultation is a component of the process that departments identified during the interviews as quite an important step. Nevertheless, the policy documents we reviewed do not provide a discussion of the results of such consultations. Collectively these shortcomings have several potential risks associated with them:

- not targetting the right problem thereby misallocating public funds;
- making decisions without adequate evidence;
- uncertainty as to whether the most cost-effective option is selected;
- decision-making in the absence of client/stakeholder preferences and an understanding of how they perceive the issues; and
- missed opportunity to improve or refine existing policies.

We are not suggesting that research, analysis, assessment of options and consultation are not taking place, we are however pointing out that there is a disconnection between the process that departments indicate they follow and the content of the documents produced. This may be a function of writing skills or choices about what to communicate in a document. The net result however is that policy documents fall short on meeting the criteria of an effective quality policy document.

IMPLICATIONS FOR GOVERNMENT

Based on our review of the policy development capacity within government departments, several issue areas arise. Attention to these areas in terms of how they might be addressed can impact on the effectiveness with which the policy function is carried out. There are opportunities for government to strengthen the value it places on the policy function within government. We conclude our review with a list of the general areas that need attention and a response from departments and government collectively.

RECOMMENDED AREAS THAT REQUIRE ATTENTION

PROCESS

Generating Solutions

More rigorous articulation of policy outcomes is needed to guide the policy development process. Without this, government risks the misallocation of resources and has no way of determining if intended results/impacts are being achieved.

Internal Consultation/Co-ordination

Internal consultations and policy co-ordination appears to be undervalued - only 30% of ministers/Policy Secretariat and 13% of departments identified this as a factor that influences excellence in the development of public policy. Although interviewees cited several examples of inter-departmental collaborations on cross-cutting policy issues, there is an absence of a forum for regular inter-departmental discussion among deputies and senior policy staff on policy activities in departments. Consideration needs to be given to establishing regular meetings for deputies as well as a forum for senior policy staff. Without this, policy co-ordination is impeded leading to the potential of working at cross-purposes, duplication of effort and ultimately, poor use of human and financial resources.

Performance Measurement

Absence of a systematic approach to policy evaluation prevails. Departments identified the following constraints to post policy implementation evaluation: time, cost, data availability/collection, and challenges of conclusive results (e.g., attributing certain outcomes to specific government policies/programs). Notwithstanding such challenges and constraints and the general view among senior management that systematic policy evaluation is not necessary, nevertheless, to not engage in post policy implementation evaluation is to function in a vacuum of information. In the absence of evaluation information, government resources may be misdirected. Creative solutions to this problem need to be sought. We believe that a practical approach that takes into account resource limitations can be found.

ORGANIZATIONAL CONTEXT

Leadership Direction and Support

There is a lack of renewal of policy staff within departments. Periodic rotation of policy staff between departments provides opportunities for new ways of considering policy issues and solutions to emerge. As well, it offers an opportunity to expand the policy knowledge of those engaged in policy work. This is especially important given the increasing inter-relatedness of policy issues.

More value needs to be placed on the policy function given the potential risks of not doing so - policy drives the development of programs, initiatives, inter-governmental agreements etc. Concrete, visible steps need to be taken to demonstrate a commitment to the policy function on the part of government and senior management.

Human Resources

According to senior management, there is a shortage of time/policy staff - i.e., there is a supply and demand problem. This has both short and long term consequences. In the short run, timely response to ministerial/government policy requests may not always be forthcoming. In the long run, limited attention if any is being given to developing forward looking public policies to address emerging trends. Adequate human resources to meet the policy demands of government is of critical importance since this is the means through which government is provided with the necessary research, analysis, assessment of options, etc. Knowledge is power; the absence of which means government is not able to make decisions that are as informed as they could be thereby risking misdirection of efforts and resources.

POLICY PRODUCT

Evidence

Policy documents we reviewed generally lacked data or information to substantiate the conclusions and recommendations being put forward. Over 50% of documents reviewed either "substantially did not meet" or "did not meet" the criterion of Evidence. In fact, 40% of ministers/Policy Secretariat indicated that more data is needed to substantiate arguments and recommendations put forth. Without sufficient data and information, evidence-based decision-making is compromised ultimately leading to the potential for misallocation of resources.

Part of the problem with providing more evidence in policy documents may be due to data gaps - close to 30% of senior management suggested that there is a need to be able to access more data/R&D. Time and money were cited as the obstacles.

Options

All of the documents reviewed either "substantially did not meet" or "did not meet" the criterion of Options. While options may well be considered in the policy development process, in the policy documents we reviewed, there tended to be limited discussion of options. In fact, 80% of ministers/Policy Secretariat indicated that they expect to find a discussion of options as well as pros and cons in a policy paper. Attention to the presentation of options and their evaluation is essential if government is to have solid information on the ramifications of alternatives and whether the proposed solution is the most cost effective.

Presentation

None of the departments "fully met" the criterion of Presentation - 50% "partially met" and the other half "substantially did not meet" it. For ministers/Policy Secretariat, presentation of information is at the top of the list of areas that need improving. Not addressing this concern results in inefficient use of time by senior government officials and members of government as they struggle to understand what policy advisors are attempting to communicate to them.

CLOSING WORD

Senior management in government departments is well aware of the relevance and importance of strong policy development capacity. There is no dispute among senior management that if government is to make well-informed decisions on matters of public policy it requires high quality policy advice. Due to a variety of reasons discussed in this report, while departments endeavor to provide high quality advice, they are not always able to achieve this objective. We have attempted in the previous section to capture the key areas that need to be focussed on in order to improve the policy development capacity.

A government-wide response is called for in addressing the recommended areas that need strengthening. Central government needs to spearhead the process. Leaving each department to respond individually to the findings of this report will result in unevenness and inconsistencies between departments. Expectations need to be communicated from the centre with respect to the policy process and product as well as how these expectations can be implemented either with existing or additional resources.

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- Peter Holle, Frontier Centre for Public Policy, Manitoba.
- Errol Price, Office of the Auditor General, British Columbia.
- Robyn Rendall, State Services Commission, Government of New Zealand.
- Paul Thomas, Department of Political Science, University of Manitoba.
- Andrew Wyatt, Civil Service College, United Kingdom.

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